

BEFORE THE  
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF: )  
 )  
Z-TEL COMMUNICATIONS, INC., )  
 )  
vs. )  
ILLINOIS BELL TELEPHONE )  
COMPANY (Ameritech Illinois) )  
 ) No. 02-0160  
Verified complaint and request )  
for emergency relief pursuant )  
to Sections 13-514, 13-515 and )  
13-516 of the Illinois Public )  
Utilities Act. )

Chicago, Illinois  
March 25th, 2002

Met pursuant to notice at 10:00 a.m.

BEFORE:

MS. LESLIE HAYNES, Administrative Law Judge

APPEARANCES:

O'KEEFE, ASHENDON, LYONS and WARD  
MR. HENRY KELLY and  
MR. JOSEPH DONOVAN  
30 North LaSalle Street, Suite 4100  
Chicago, Illinois 60602  
Appearing for Z-Tel Communications, Inc.;

1 APPEARANCES (Continued)

2 MR. MARK KERBER  
3 225 West Randolph, HQ-25D  
4 Chicago, Illinois 60606  
5 Appearing for Ameritech;

6 MR. EDWARD BUTTS  
7 1800 West Hawthorne Lane, Room 102  
8 West Chicago, Illinois 60185  
9 Appearing for Ameritech;

10 MR. CARMEN FOSCO and  
11 MS. MARGARET KELLY  
12 160 North LaSalle Street, Suite C-800  
13 Chicago, Illinois 60601  
14 Appearing for staff.

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16  
17  
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20  
21 SULLIVAN REPORTING COMPANY, by  
22 Barbara A. Perkovich, CSR

I N D E X

<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	<u>Re-</u> <u>direct</u>	<u>Re-</u> <u>cross</u>	<u>By</u> <u>Judge</u>
D. Burkhardt	52	55 87 60			
L. Farr	56				
M. Reith	61	64 80 82			85
D. Aron	93	97			
G. Sirles		112	116		

E X H I B I T S

<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
Z-Tel No. 1	64	64 Z-Tel
No. 2	59	59 Z-Tel
No. 3	59	59 Z-TEL
NO. 4	110	110 Z-Tel
No. 4P	110	110Z-TEL
No. 5	110	110 Z-Tel
No. 5P	110	110 Z-Tel
No. 6	65	65
Ameritech Cross		
No. 1	69	70
Ameritech No. 1	116	116
Ameritech No. 2	97	97
Z-Tel Cross No. 1	252	
Z-Tel Cross No. 2	252	
Z-Tel Cross No. 3	252	

1 JUDGE HAYNES: Pursuant to the direction of the  
2 Illinois Commerce Commission, I now call Docket  
3 No. 02-0160, Z-Tel Communications versus Illinois  
4 Bell Telephone Company doing business as Ameritech  
5 Illinois.

6 May I have the appearances for the record,  
7 please.

8 MR. KELLY: Henry Kelly and Joseph E. Donovan  
9 with O'Keefe, Ashenden, Lyons and Ward, 30 North  
10 LaSalle Street, Suite 4100, Chicago, Illinois 60602  
11 appearing on behalf of Z-Tel.

12 MR. BUTTS: Edward Butts, 1800 West Hawthorne  
13 Lane, Room 102, West Chicago, Illinois 60185  
14 appearing on behalf of Ameritech Illinois. Also  
15 with me is --

16 MR. KERBER: Mark Kerber, 225 West Randolph,  
17 HQ-25D, Chicago 60606.

18 MR. FOSCO: Carmen Fosco and Margaret Kelly  
19 appearing on behalf of staff of the Illinois  
20 Commerce Commission, 160 North LaSalle, Suite C-800,  
21 Chicago 60601.

22 JUDGE HAYNES: The first thing I want to mention

1 is on March 21st Z-Tel filed a request for subpoenas  
2 with the subpoenas had the caption Talk.com Holding  
3 Corp. And after I realized that I called Z-Tel and  
4 made them aware of their mistake at which time they  
5 corrected that an hour later at 4:40 on March 21st.  
6 And I believe that that subpoena has been withdrawn;  
7 is that correct?

8 MR. KELLY: That is correct, your Honor.

9 JUDGE HAYNES: Thank you. I have a couple other  
10 motions we need to talk about today. First one  
11 being the motion to compel filed by Z-Tel that was  
12 filed on Friday.

13 MR. KELLY: Yes.

14 JUDGE HAYNES: At essentially 5:00 p.m. I'm a  
15 little curious why you waited from March 13th until  
16 Friday to file this.

17 MR. KELLY: As we've indicated in our motion,  
18 the discovery responses that we are primarily  
19 seeking that relate to our motion to compel are  
20 documents that Ameritech -- software documentation  
21 on how Ameritech processes line loss information for  
22 its own retail operations.

1           In the discovery responses, Ameritech indicates  
2           that -- we have two sets of discovery requests. One  
3           we sought information on how Ameritech processes  
4           line loss information for Z-Tel. And Ameritech  
5           produced documents responsive to those requests. In  
6           addition, we sought information on how Ameritech  
7           processes line loss notice for its own retail  
8           operations when it loses a customer.

9           And Ameritech said in their responses, see  
10          responses to other -- the first set of documents, or  
11          the same documents would apply to the line loss  
12          notice that Ameritech provides to Z-Tel. In the  
13          testimony, however, that was filed on Wednesday, I'm  
14          sorry, Tuesday by Mr. Sirles, he indicates that  
15          there is in fact a separate process that Ameritech  
16          uses to process line loss notice for its own retail  
17          operations.

18          And so we believe that it's apparent from the  
19          testimony filed on Tuesday that in fact there are  
20          two different processes, yet we've only been -- I'm  
21          sorry, Ameritech has only produced documents  
22          responsive to the first request or the first

1 process, that is the process for Z-Tel. That's why  
2 it became apparent to us after reading Mr. Sirles'  
3 testimony that perhaps all the documents have not  
4 been produced.

5 MR. BUTTS: And as the response I filed this  
6 morning points out, Z-Tel tries to create the  
7 impression that they didn't learn about two  
8 processes until Mr. Sirles' testimony was filed. The  
9 fact is that the two processes were described in the  
10 discovery responses we made. They asked a specific  
11 Interrogatory No. 5.

12 In our response to Interrogatory No. 5, which  
13 was provided on Monday March 11th, we specifically  
14 set forth in a very detailed four-page document  
15 exactly what that other process was. That process  
16 was discussed in my response to Mr. Kelly's letter.  
17 He sent us a letter regarding discovery on March  
18 11th, on March 13th I discussed that process in the  
19 letter and specifically referred him to  
20 Interrogatory No. 5.

21 In addition, there was a workshop held in  
22 Hoffman Estate on March 13th and 14th in which

1       Mr. Sirles discussed that process with all the  
2       CLEC's assembled, there were at least three or four  
3       representatives of Z-Tel that were present at that.  
4       So the suggestion that they did not learn that there  
5       was a second process until they saw Mr. Sirles'  
6       testimony is simply not credible.

7               Furthermore, our response to their motion to  
8       compel is that we have provided responsive documents  
9       to those requests. We have provided what we have.  
10      We said in the March 13th letter, and I repeated it  
11      in the motion I filed this morning, if there is  
12      specific information or a specific document or  
13      something they think should exist or they want, tell  
14      us what it is and we will seek to find it.

15             They did serve us on Friday with some  
16      supplemental data requests looking for specific  
17      information. We hope to have responses ready to  
18      those data requests sometimes later this morning, I  
19      am waiting for them to be brought over. But this  
20      idea that we haven't complied with discovery or that  
21      there should be a motion to compel filed on 5:00  
22      p.m. on the eve of trial is improper. I think the



1 motion is untimely.

2 A part of the problem that has led to this is  
3 the breadth and scope of their initial data  
4 requests, which just left us at our peril to try to  
5 look at every document that every employee  
6 potentially had and see if it's relevant. Our  
7 position is we've responded to discovery, but their  
8 motion is untimely and that it should be denied on  
9 the merits as well.

10 I would also add that, you know, at their  
11 request we are produceing four additional witnesses  
12 today for adverse examination so that they can ask  
13 questions about processes. One of those witnesses  
14 specifically was requested relating to the retail  
15 process. That process is covered in detail in  
16 Mr. Sirles' testimony. He is prepared to answer  
17 questions about that. So I don't think there is any  
18 basis for a motion to compel at this point.

19 JUDGE HAYNES: Does staff have a comment?

20 MR. FOSCO: I mean staff understands or believes  
21 that both processes may be relevant to this  
22 proceeding, and no one seems to be objecting to

1       that.  As far as the interplay between the parties  
2       we have no comment.

3               JUDGE HAYNES:  I'm going to withhold ruling  
4       until -- we'll see if the witnesses today are able  
5       to answer your questions and if these other  
6       discovery responses satisfy your issues.  But for  
7       now I'm not going to rule on this motion to compel.  
8       Is there anything else we need to discuss before we  
9       begin this?

10              MR. BUTTS:  I just did receive the supplemental  
11       responses to the data requests we received on  
12       Friday.  I only have two copies so I'm going to give  
13       one to staff and one to Hank.

14              JUDGE HAYNES:  Should we take a break while we  
15       look that over?

16              MR. BUTTS:  Most of it is a spread sheet, it's  
17       not that thick of a document, but we can.  The other  
18       issue is are we going to address the motion that we  
19       filed for expedited review -- interlocutory review?

20              JUDGE HAYNES:  Sure, go ahead.

21              MR. BUTTS:  We received also at approximately  
22       5:00 o'clock on Friday a motion for an expedited

1       interlocutory review of the ALJ's ruling denying  
2       them leave to file amended complaint. We have not  
3       had an opportunity to file a written response to  
4       that motion as yet.

5             I would simply at this time like to point out  
6       that under the Commission's rules, specifically  
7       Section 766.25, Interlocutory Review Not Allowed,  
8       that rule specifically states the Commission shall  
9       not conduct any interlocutory rule of any rulings  
10      made by the hearing examiner in any proceeding filed  
11      to pursuant to Section 13-515 of the Act.

12            Section 200.520 of the Commission's Rules of  
13      Practice is not applicable to any proceedings  
14      subject to this part. So it's my position under the  
15      Commission's rules that motion for interlocutory  
16      review is not authorized by those rules, and is  
17      improper and should be rejected.

18            I would further add that as their motion does  
19      point out, the Commission's rules generally make  
20      clear that the failure to seek interlocutory review  
21      of an administrative law judge's ruling does not  
22      constitute a waiver of that ruling. They will have

1 the opportunity to present an appeal from that  
2 ruling at the time the case goes to the Commission.  
3 And if the Commission agrees, the Commission can at  
4 that time reverse the ALJ's ruling and allow them to  
5 file their amended complaint.

6 I don't believe there is any prejudice to them  
7 waiting and following the statutory procedure since  
8 it's my understanding from their motion that they're  
9 not prepared to go to trial on those other counts  
10 today anyway. So the only way they would have any  
11 prejudice is if they wanted to go to trial on those  
12 counts today. So I think we should follow the  
13 normal procedure and they should present that issue  
14 with the case.

15 MR. KELLY: Just a brief response, to just make  
16 it of record. The basis of our interlocutory appeal  
17 is that the Count III was brought under a section  
18 other than Section 13-515. And the ALJ, your Honor,  
19 denied our motion for leave to amend. And so we  
20 don't believe that the regulation that Mr. Butts  
21 sites to applies to the amended complaint. But  
22 we'll make that argument at the appropriate --

1       probably before the Commission.

2               MR. KELLY: Of course I believe it does apply  
3       because this is a Section 13-515 proceeding. We are  
4       here pursuant to Section 13-515, so I think the rule  
5       does apply.

6               JUDGE HAYNES: That's up to the Commission. Are  
7       we ready to proceed with witnesses?

8               MR. KELLY: Z-Tel is ready to proceed with their  
9       witnesses, your Honor. We haven't had a chance to  
10      talk off the record, and I apologize to counsel for  
11      Ameritech, what we thought we would do is go first  
12      with Mr. Reith and then Mr. Burkhardt, and then Ms.  
13      Farr, if that's agreeable to counsel for staff and  
14      counsel for Ameritech.

15              MR. BUTTS: That's certainly agreeable, they can  
16      pick the order. Mr. Kelly and I did talk about one  
17      subject. They have marked -- they have a couple of  
18      exhibits that they've submitted that consist of  
19      primarily e-mail communications or other  
20      communications back and forth between Ameritech and  
21      Z-Tel representatives.

22              Ameritech considers any documents relating to

1       its communications with individual customers to be  
2       confidential information that we don't disclose  
3       publically. I've suggested to Mr. Kelly that with  
4       respect to those two exhibits and the use of those,  
5       they should be marked as proprietary, and questions  
6       about those and the admission of those documents  
7       should be under seal.

8               They have also provided in response to my data  
9       request a similar set of documents that they've  
10      amassed, similar types of communications. I would  
11      suggest that we should follow the same procedure  
12      with respect to those.

13             MR. KELLY: Yeah, we agree with that, your  
14      Honor. Your Honor, we've provided the court  
15      reporter with public cover sheets for Exhibits 4 and  
16      5 for the public record. And we will provide your  
17      Honor with the proprietary versions of those  
18      exhibits, probably either now or at the close of our  
19      live witness testimony, whatever the preference is.

20             JUDGE HAYNES: Do you have copies of both for  
21      the court reporter?

22             MR. KELLY: I do have copies of both for the

1 court reporter, both the public set, which is  
2 actually just a cover sheet, as well as the  
3 proprietary set which is the whole set of documents,  
4 Exhibit 4 and Exhibit 5.

5 MR. FOSCO: Your Honor, staff has no objection  
6 to the scheduling of witnesses, however Staff  
7 Witness Jackson is traveling up, and --

8 JUDGE HAYNES: Stuck on the train as well?

9 MR. FOSCO: Well, I'm not sure what the  
10 situation is, but I know she would have wanted to  
11 have been here for Mr. Reith's cross or at least  
12 part of it. So I'm not sure how much cross  
13 Ameritech has.

14 MR. BUTTS: I do not have a great deal.

15 MR. FOSCO: I guess we can proceed,  
16 hopefully --

17 MR. KELLY: We can put on, to accommodate staff,  
18 we can certainly put on our other witnesses first.

19 MR. FOSCO: That would be fine with staff.

20 JUDGE HAYNES: Is that fine with Ameritech?

21 MR. BUTTS: That's okay with me.

22 JUDGE HAYNES: Let's do that, then.

1           MR. KELLY: And your Honor, just for the record,  
2           just so I can identify what our exhibits are for  
3           today. Our Exhibit No. 1 is Mr. Reith, Reith, his  
4           direct testimony. Exhibit No. 2 is Ms. Farr's  
5           direct testimony. Exhibit No. 3 is Mr. Burkhardt's  
6           direct testimony. Exhibit 4 is a stack of documents  
7           produced in response to discovery requests, as are  
8           exhibit number 5. And Exhibit No. 6 is Mr. Reith's  
9           rebuttal testimony.

10           And, your Honor, Z-Tel would call as its first  
11           witness Mr. Donald Burkhardt.

12           JUDGE HAYNES: Please raise your right hand.

13                         (Witness sworn.)

14           DONALD C. BURKHARDT,  
15           called as a witness herein, having been first duly  
16           sworn, was examined and testified as follows:

17                         DIRECT EXAMINATION

18                         BY

19           MR. KELLY:

20           Q. Mr. Burkhardt, could you please state and spell  
21           your last name for the record?

22           A. My name is Donald C. Burkhardt. D-o-n-a-l-d,



1 middle initial C, B-u-r-k-h-a-r-d-t.

2 Q. What is your position for Z-Tel?

3 A. I am vice president of network administration  
4 group.

5 Q. Do you have in front of you what has been  
6 marked by the court reporter Z-Tel Exhibit No. 3,  
7 which is your direct testimony?

8 A. I do.

9 Q. Other than -- we've provided a set of the  
10 documents or Exhibit No. 3 to the parties. Are  
11 there any additions or corrections that we need to  
12 be made to the set that we've previously filed?

13 A. Not that I see.

14 Q. Is there any corrections, any typographical  
15 errors?

16 A. On Line 5 there is a correction of  
17 administration group for and of, I think we can  
18 delete of there.

19 MR. KELLY: And I'll just note for the record  
20 that those changes have been made in the copies  
21 provided to the court reporter.

22 BY MR. KELLY:

1 Q. Mr. Burkhardt, with that change, if I were to  
2 ask you those questions in that your direct  
3 testimony would you give those answers?

4 A. Yes, I would.

5 MR. KELLY: Your Honor at this time we would  
6 move for the admission of Exhibit No. 3 and we  
7 tender Mr. Burkhardt for cross examination.

8 JUDGE HAYNES: Any objections?

9 MR. BUTTS: No objection.

10 MR. FOSCO: No objection.

11 JUDGE HAYNES: Exhibit No. 3 is admitted.

12 (Whereupon Z-Tel Exhibit No. 3  
13 was marked for identification  
14 and admitted into evidence  
15 as of this date.)

16 MR. BUTTS: Ameritech has no cross for this  
17 witness.

18 JUDGE HAYNES: Staff.

19

20

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22

1 CROSS EXAMINATION

2 BY

3 MR. FOSCO:

4 Q. Mr. Burkhardt my name is Carmen Fosco, I'm one  
5 of the attorneys for staff. Are you aware of  
6 whether Z-Tel purchases from Ameritech the UNE-P and  
7 resale services through tariffs or a reconnection  
8 agreement or some other?

9 A. I am aware that we do purchase UNE-P from  
10 Ameritech.

11 Q. And is that solely through the intersection  
12 agreement that Z-Tel has with Ameritech?

13 A. It's my understanding that it's through the  
14 interconnection agreement and tariff.

15 Q. Are there particular services that are  
16 purchased out of the tariff versus the  
17 interconnection agreement?

18 A. It is my belief they are, but I don't know the  
19 specifics right now.

20 MR. FOSCO: Staff has no further questions.

21 JUDGE HAYNES: Any redirect?

22 MR. KELLY: No redirect, your Honor.

1 JUDGE HAYNES: Thank you.

2 (Witness excused.)

3 JUDGE HAYNES: Call your next witness.

4 MR. KELLY: We call as our next witness

5 Ms. Linda Farr.

6 JUDGE HAYNES: Please raise your right hand.

7 (Witness sworn.)

8 LINDA FARR,

9 called as a witness herein, having been first duly  
10 sworn, was examined and testified as follows:

11 DIRECT EXAMINATION

12 BY

13 MR. KELLY:

14 Q. Ms. Farr, can you please state and spell your  
15 name for the record?

16 A. My name is Linda Farr, L-i-n-d-a, F-a-r-r.

17 Q. What is your position with Z-Tel?

18 A. I'm manager of ILEC control.

19 Q. Let me show you what's been marked by the court  
20 reporter as Exhibit Number 2.0, which is your direct  
21 testimony with an attachment. And any additions or  
22 corrections that need to be made to the copy of the

1 testimony that was provided to the parties?

2 A. Just one. On the first page, Line 6 and 7, my  
3 formal business address is part of the Consumer  
4 Services Division and the location is 100 Brookwood  
5 Road, Atmoore, Alabama.

6 Q. And with that change, if I were to ask you  
7 those questions would you give those answers?

8 A. Yes, I would.

9 MR. KELLY: Your Honor, at this time we would  
10 move for the admission of Exhibit No. 2.0 plus the  
11 attachment and we tender Ms. Farr for cross  
12 examination.

13 MR. FOSCO: Just one point of clarification, is  
14 that Exhibit 3.0 or 2.0? I think the attachment is  
15 3.1.

16 MR. KELLY: I apologize. The attachment should  
17 be identified as Exhibit No. 2.1, not 3.1 because  
18 it's actually exhibit to her testimony, which means  
19 also that in the prefiled set of testimony, we'll  
20 have to make a change.

21 MR. FOSCO: Maybe we can go off the record one  
22 second.

1                   (Whereupon, there was an  
2                   off-the-record discussion.)

3           JUDGE HAYNES: Mr. Burkhardt's testimony was  
4           previously marked as Exhibit No. 3, but we are  
5           changing it to Exhibit No. 2. And we have now moved  
6           for the admission of Ms. Farr's testimony, which is  
7           Exhibit No. 3, and there is an attachment. Is this  
8           the Dear Valued Z-Line Member letter?

9           MR. KELLY: Yes.

10          JUDGE HAYNES: And that's Exhibit 3.1?

11          MR. KELLY: Yes.

12          JUDGE HAYNES: Is there any objection to the  
13          admission of these exhibits?

14          MR. FOSCO: No objection.

15          MR. BUTTS: No objection.

16          JUDGE HAYNES: Exhibits 3 and 3.1 are admitted.

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18

19                   (Whereupon Z-Tel Exhibit No. 3  
20                   was marked for identification  
21                   and admitted into evidence  
22                   as of this date.)

1                   (Whereupon Z-Tel Exhibit No. 2  
2                   was marked for identification  
3                   and admitted into evidence  
4                   as of this date.)

5                   JUDGE HAYNES: Cross examination.

6                   MR. BUTTS: Ameritech has no questions for  
7                   Ms. Farr. As I stated off the record I do have one  
8                   question for Mr. Burkhardt. I confused the two  
9                   witnesses.

10                  JUDGE HAYNES: Let's finish with Ms. Farr. Does  
11                  staff have questions?

12                  MR. FOSCO: No questions.

13                  MR. KELLY: No redirect.

14                               (Witness excused.)

15                  JUDGE HAYNES: So we are recalling  
16                  Mr. Burkhardt.

17                               DONALD BURKHARDT,  
18                  recalled called as a witness herein, having been  
19                  previously duly sworn, was examined and testified as  
20                  follows:

21

22

1 CROSS EXAMINATION

2 BY

3 MR. BUTTS:

4 Q. Mr. Burkhardt, my name is Edward Butts, I  
5 represent Ameritech. I had one question for  
6 clarification on your testimony. On Page 4, in the  
7 answer at the top of the page, and looking  
8 specifically at Lines 8, 9 and 10. You state the  
9 results of the sample CSR line loss billing audits  
10 in October through January indicate Z-Tel being  
11 billed incorrectly on at least 2,623 lines. Do you  
12 see that?

13 A. Right.

14 Q. My question is simply, is that data for  
15 specifically just Illinois, or is that five state  
16 data or does this cover the entire SBC region?

17 A. This is specifically for Illinois.

18 MR. BUTTS: Thank you, that's all I have.

19 MR. KELLY: No redirect.

20 JUDGE HAYNES: Thank you.

21 (Witness excused.)

22 MR. KELLY: Call your next witness.



1           MR. KELLY: Next witness, Z-Tel would call  
2           Mr. Michael Reith.

3           JUDGE HAYNES: Please raise your right hand.

4                               (Witness sworn.)

5                               MICHAEL REITH,  
6           called as a witness herein, having been first duly  
7           sworn, was examined and testified as follows:

8                               DIRECT EXAMINATION

9                               BY

10                              MR. KELLY:

11           Q.    Mr. Reith, could you please state and spell  
12           your name for the record?

13           A.    My name is Michael Reith, M-i-c-h-a-e-l,  
14           R-e-i-t-h.

15           Q.    What is your position with Z-Tel?

16           A.    I'm the director of industry policy.

17           Q.    Let me show you what's been marked by the court  
18           reporter as Exhibit No. 1 which is your direct  
19           testimony. And Exhibit No. 1.1, which is entitled  
20           time line of AIT line loss issue. Are you familiar  
21           with that testimony?

22           A.    Yes, I am.

1 Q. Any additions or corrections that need to be  
2 made to your direct testimony?

3 A. I do have some corrections. On the first page,  
4 Line 4, my title should be director of industry  
5 policy. On Line 17, the end of the sentence it  
6 should read University of South Florida. On Page 9,  
7 Line 20, the 73 percent should be changed to 63  
8 percent.

9 And on Line 21 the 8 percent should be changed  
10 to 13 percent. And the last correction would be on  
11 page 10, Line 3. That line should read loss notices  
12 from March 6th through March 11th.

13 Q. And on that last one you would strike the date  
14 I am filing this testimony?

15 A. Yes, I would.

16 Q. With those changes, if I were to ask you those  
17 questions containing your direct testimony would you  
18 give those answers?

19 A. Yes, I would.

20 Q. Let me show you what's been marked by the court  
21 reporter as Exhibit No. 6, which is your rebuttal  
22 testimony. Any additions or corrections that need

1 to be made to this exhibit?

2 A. Yes, there is just one. It's the same as  
3 previous testimony on Line 4, it would be director  
4 industry policy.

5 Q. And with that change, if I were to ask you  
6 those questions would you give those answers?

7 A. Yes, I would.

8 MR. KELLY: Your Honor, at this time we would  
9 move for the admission of Z-Tel Exhibit No. 1.0 and  
10 1.1. 1.0 being his direct testimony and 1.1 being  
11 the attachment. And his rebuttal testimony, Exhibit  
12 No. 6.0. and we tender Mr. Reith for cross  
13 examination.

14 JUDGE HAYNES: Is there any objection to these  
15 exhibits?

16 MR. BUTTS: No.

17 MR. FOSCO: None from staff.

18 JUDGE HAYNES: Z-Tel Exhibits 1, 1.1 and 6 are  
19 admitted.

20

21

22

1                   (Whereupon Z-Tel Exhibits Nos. 1.0  
2                   and 6.0 were marked for  
3                   identification and admitted into  
4                   evidence as of this date.)

5           JUDGE HAYNES: Cross examination.

6

7                   CROSS EXAMINATION

8                   BY

9                   MR. BUTTS:

10          Q.     I do have a few questions, I'm trying to locate  
11          my copy of Mr. Reith's rebuttal.

12                 JUDGE HAYNES: Are we waiting for staff?

13                 MR. FOSCO: No, we are fine.

14          BY MR. BUTTS:

15          Q.     Mr. Reith, when were you first employed by  
16          Z-Tel?

17          A.     I believe that was August 21st of 2001.

18          Q.     And you were employed in Florida, your office  
19          is in Florida?

20          A.     In Tampa, yes.

21          Q.     Would I be correct, then, that for any of the  
22          transactions that are discussed in the testimony and

1 any of the events that occurred prior to August 21,  
2 2001, you would have no personal knowledge of those?

3 A. Correct, I was not with the company at that  
4 time.

5 Q. In your direct -- well, strike that.

6 In your capacity as director of regulatory  
7 policy, do you have any day-to-day contact with the  
8 Ameritech account team that is assigned to the Z-Tel  
9 account?

10 A. No, I do not.

11 Q. So since August 21st you have not been involved  
12 with any direct transactions with the account team?

13 A. I met the account team when they came to visit  
14 us in Tampa offices. It was a quarterly, review, I  
15 believe, was the meeting.

16 Q. But you have not been personally involved in  
17 any of the communications and transactions between  
18 the account team and Z-Tel regarding issues that  
19 come up in the day-to-day operations?

20 A. I have not spoken to the account team, no.

21 Q. And have you spoken to anyone at Ameritech or  
22 Ameritech Illinois regarding the day-to-day

1 transactions that have transpired between Z-Tel and  
2 Ameritech Illinois, other than -- over and above the  
3 account team?

4 A. The workshop that we had the 13th and 14th I  
5 attended and we had brief discussions with some of  
6 the IT folks.

7 Q. So that was your first occasion to have any  
8 direct involvement in any of these issues?

9 A. With the Ameritech, yes.

10 Q. You have attached to your direct testimony a  
11 time line of transactions or of communications and  
12 events between Z-Tel and Ameritech. And I'm going  
13 to say Ameritech because I assume it was not  
14 discrete to Ameritech Illinois, it was discrete to  
15 the five Ameritech companies, am I right about that?

16 A. Can you ask that question again?

17 Q. Yeah, in the time line that's attached as  
18 Exhibit 1.1 to your direct testimony, that's a time  
19 line of communications and -- between Ameritech and  
20 Z-Tel regarding issues related to line loss. Is  
21 that time line related to issues applicable to all  
22 five of the Ameritech states, or is this a time line

1       that is unique to Ameritech Illinois, the State of  
2       Illinois?

3       A.     My understanding is it's unique to Ameritech.

4       Q.     To the State of Illinois?

5       A.     I'm having a problem with the question the way  
6       you have it phrased.  When we receive the line loss  
7       it's for Ameritech, all their companies that we are  
8       involved in, in the states we are involved in.  A  
9       portion of that is for Illinois.

10      Q.     But the events that are listed on the time  
11     line, they were not -- were they unique to just --  
12     were they just Illinois issues or were they --

13      A.     No, I don't believe they were.

14      Q.     So this is really an Ameritech time line that  
15     would be applicable to all five states?

16      A.     Yes, that would be my understanding.

17      Q.     Who prepared this time line?

18      A.     A woman by the name of Sandra Williams.

19      Q.     Does she work for you?

20      A.     She works with our group, yes.

21      Q.     And on what -- what was it prepared from, how  
22     was it prepared?

1       A.    A series of correspondence she has with the  
2       Ameritech account team.  She is our direct liaison  
3       with the account team.

4       Q.    Now, Ameritech did serve on Z-Tel data requests  
5       asking you to produce all the backup documents that  
6       you have relating to that time line; is that  
7       correct?

8       A.    Correct.

9       Q.    And you did provide that?

10      A.    Correct.

11           MR. KELLY: Your Honor, I'm going to mark those  
12      responses as a Group Exhibit, for the public I'll  
13      just have the reporter mark the cover page, and then  
14      we can submit these under the appropriate procedures  
15      so they are non-public, if that's agreeable,  
16      whatever procedure we work out for the others.

17           So I will give the court reporter and your  
18      Honor copies of the cover page.  And I would ask the  
19      court reporter to mark this as Ameritech Illinois  
20      Group Exhibit 1, testimony of Michael Reith.

21           JUDGE HAYNES: So Reith Cross Exhibit 1.

22



1                   (Whereupon Ameritech Cross Group  
2                   Exhibit No. 1 was marked for  
3                   identification as of this date.)

4       BY MR. BUTTS:

5       Q.     Mr. Reith, I've provided you with a copy of the  
6       underlying data behind Ameritech Group Exhibit 1.  
7       And I would ask you to -- and we are going to mark  
8       these, for the record, as a proprietary exhibit and  
9       submit them later.

10            I would ask you to take a look at that, and  
11       tell me if that appears to be a copy of your  
12       response to the data request addressed by Ameritech  
13       asking for all of the backup information regarding  
14       the time line.

15       A.     Yes, it does.

16       Q.     And I notice you were good enough to Bates  
17       stamp and number the pages of this document, so it  
18       goes to Page 1 to 307. And I hope all 307 pages are  
19       in here, but we can check it later, I believe they  
20       are all there. But subject to check, this is all of  
21       the documents that you produced?

22       A.     Subject to check, yes.

1 Q. And is this all of the documentation that  
2 exists at Z-Tel relating to the transactions that  
3 are discussed in the time line that's attached as  
4 Exhibit 1.1 to your testimony?

5 A. That's my understanding, yes.

6 Q. Is this the documentation from which that time  
7 line was prepared by, I believe Ms. Williams?

8 A. Yes.

9 MR. BUTTS: Your Honor, at this time I would  
10 like to offer in evidence Ameritech Illinois' Group  
11 Exhibit 1, which will be a proprietary exhibit of  
12 data responses from Z-Tel.

13 MR. KELLY: No objection.

14 MR. FOSCO: No objection.

15 JUDGE HAYNES: Ameritech Group Exhibit 1, Reith  
16 cross, proprietary and public is admitted.

17 (Whereupon Ameritech Group Cross  
18 Exhibit No. 1 was  
19 admitted into evidence.)  
20  
21  
22

1 BY MR. BUTTS:

2 Q. Now, in your testimony on Page 9, beginning on  
3 Line 19 -- strike that, that's not it. Yeah, it is  
4 Page 9 on Line 18. You provide statistics on line  
5 loss notifications received within one day and those  
6 received after 4 plus days. Do you see that?

7 A. Yes, I do.

8 Q. Where did you obtain the information that is  
9 contained there, and who did you obtain it from?

10 A. I went to the original line loss files that we  
11 received from Accenture.

12 Q. Did you look at those yourself?

13 A. Yes, I did.

14 Q. And those were the line loss reports received  
15 by Accenture?

16 A. Provided to us, yes.

17 Q. Who is Accenture?

18 A. Our Accenture is our vendor who pulls down the  
19 Ameritech line loss files and transmits them  
20 directly to Z-Tel via e-mail.

21 Q. Can you describe -- what is the complete  
22 process leading up to Z-Tel's receipt of that

1 notification and what vendors are involved in it,  
2 starting with Ameritech Illinois transmits an 836  
3 line loss that is intended for Z-Tel. Is there --  
4 are there intermediary vendors between Ameritech and  
5 Z-Tel before Z-Tel receives that line loss?

6 A. Only Accenture.

7 Q. Only Accenture?

8 A. That's my understanding.

9 Q. Does Z-Tel also use an AT&T Advantas for the  
10 receipt of that as another vendor that is in  
11 between?

12 A. I do not have any knowledge.

13 Q. Can you tell me exactly how that process works?

14 A. From -- if I interpret your question, we go  
15 ahead and receive line loss files put in, as  
16 described by Mr. Schultz, a mailbox, if you would.  
17 Accenture pulls down that information, goes ahead  
18 and formats it for us, and it provides us directly  
19 to Z-Tel via e-mail.

20 Q. How do they format it? What is involved in  
21 that?

22 A. I do not know.

1 Q. Ameritech, am I correct, transmits the  
2 information through the EDI interface?

3 A. Yes.

4 Q. And that information is transmitted not to  
5 Z-Tel directly, but to Accenture?

6 A. Yes.

7 Q. And then Accenture pulls down the data and  
8 converts it to a format that Z-Tel wants?

9 A. I'm having a problem with you saying Z-Tel  
10 wants. It's formatted in a way that Z-Tel can use  
11 the file.

12 Q. But there is actually some formatting that is  
13 done by Accenture?

14 A. Yes.

15 Q. And then Accenture forwards it to Z-Tel by  
16 e-mail?

17 A. Yes.

18 Q. So what you are saying is that the statistics  
19 that you have on Page 9 are based on the date or  
20 time that Z-Tel received that information from your  
21 vendor Accenture?

22 A. That is one of the inputs, yes.

1 Q. It's not based on the date that Accenture  
2 received that information from Ameritech?

3 A. I'm inclined to say yes, because Accenture  
4 pulls that file down at 8:00 a.m. every morning.

5 Q. Do you know for certain?

6 A. That is the direction I'm getting from  
7 Accenture. That's what I've been told.

8 Q. Did you talk to anyone at Accenture about that  
9 in preparation for this testimony?

10 A. Yes, I did.

11 Q. Who did you talk to?

12 A. Carl Winagousi (phonetic).

13 Q. And what conversation did you have with him?

14 A. That was exactly the conversation I had with  
15 him. I asked Carl how often do we go and get the  
16 line loss files that Ameritech posts for us. And  
17 how long it takes from the time they pull it down,  
18 to the time we get it.

19 Q. And he said?

20 A. He said they pull it down at 8:00 a.m. every  
21 morning and it's transmitted to us by 9:30 every  
22 morning.

1 Q. Have you ever done an audit or investigation to  
2 determine if that's accurate?

3 A. Personally, no.

4 Q. In your rebuttal testimony, you attach an  
5 exhibit -- first of all, let's talk about your  
6 Exhibit 6.1, if you can take a look at that. And  
7 just remind us what that exhibit is.

8 A. Exhibit 6.1 is the format that Accenture  
9 provides us the line loss notification.

10 Q. So that is the format as it's received from  
11 Accenture?

12 A. Yes.

13 Q. On the fourth column from the right there is a  
14 column labeled ACNA copy and underneath that we have  
15 ZXX. Can you tell us what that is?

16 A. To my understanding that's the code identifying  
17 Z-Tel.

18 Q. That would be the field for the code  
19 identifying the carrier in a transaction where a  
20 customer has switched from one carrier to another?

21 A. This would be -- this is a loss notification of  
22 our customers, so that's identifying Z-Tel, not

1 identifying who won a customer.

2 Q. Is ZXX an identifying code for Z-Tel?

3 A. Yes, it is.

4 Q. In your Exhibit 6.2, this is a copy of an  
5 e-mail received by Z-Tel from Mike Cippio from  
6 Ameritech?

7 A. Yes.

8 MR. BUTTS: I don't know that since you produced  
9 this e-mail, I don't know, Hank, if you want to  
10 treat this as proprietary or just let this one go in  
11 the public record, I really don't care, it's up to  
12 you.

13 MR. KELLY: No, we don't care.

14 BY MR. BUTTS:

15 Q. You attached this e-mail as an indication that  
16 as an -- well, what does this e-mail represent?

17 A. This e-mail talks about one of the issues we  
18 had in the past where a fax number that was to be  
19 used for FOC notification, formal commitment or  
20 confirmation, was inadvertently entered as where to  
21 send the line loss notices by Ameritech.

22 Q. Now, Z-Tel had an issue starting with late



1 April or very early may with Ameritech in that you  
2 had a problem that you were getting line loss  
3 notifications that were blank?

4 A. Correct.

5 Q. Does this e-mail relate to that issue or to a  
6 different issue?

7 A. It's all wrapped up in the same issue, yes.

8 Q. So it relates to -- it's really the same issue  
9 or one --

10 A. My understanding, yes.

11 Q. Now, in this e-mail, Mr. Cippio is describing  
12 something, what he has discovered and a fix that he  
13 is making at the Ameritech end, hopefully to resolve  
14 the problem. And I understand to resolve the  
15 problem of Z-Tel receiving blank line loss reports?

16 A. Correct.

17 Q. And that is dated March 18th, 2001?

18 A. May 18th.

19 Q. I'm sorry, May 18th, 2001.

20 A. Yes.

21 Q. Am I correct, then, that starting on May 19th,  
22 2001 the problem with Z-Tel receiving blank line

1       loss reports was resolved?

2       A.    My understanding, no, it was not resolved.

3       Q.    Well, if this was the problem, why is it that  
4       on May 19th the problem was not resolved?

5       A.    My understanding is this was part of the  
6       problem.

7       Q.    So there were other parts of this problem?

8       A.    That is my understanding.

9       Q.    And one of the problems that was discovered was  
10       a problem with the Accenture and how they processed  
11       the data; is that not correct?

12       A.    Can you be more specific?

13       Q.    More specifically, is it not true that in Group  
14       Exhibit 1, there are a series of exchanges between  
15       Z-Tel and Ameritech representatives discussing in  
16       part the fact that Ameritech's records showed that  
17       they had sent line loss transactions and delivered  
18       them to Accenture, Z-Tel's vendor, and that if  
19       Z-Tel's vendor -- if those had not been received by  
20       Z-Tel, the problem may lie within Accenture's  
21       systems.

22           MR. KELLY: Object to the form of the question,

1       it's a compound question.

2       BY MR. BUTTS:

3       Q.     Did you ever conduct any independent  
4       investigation of Accenture's involvement in the  
5       blank line loss reports?

6       A.     No, I did not.

7       Q.     And what was done would be reflected in Group  
8       Exhibit 1?

9       A.     Correct.

10       MR. BUTTS: I have nothing else.

11       JUDGE HAYNES: Is staff prepared with cross  
12       examination?

13       MR. FOSCO: If it's okay with the parties and  
14       your Honor, we would like to split up the cross just  
15       because it relates to our different witnesses. We  
16       won't duplicate questions.

17       MR. KELLY: We have no objection.

18                   CROSS EXAMINATION

19                   BY

20                   MS. KELLY:

21       Q.     Hi, Mr. Reith, I'm Margaret Kelly I  
22       representing staff. On Page 5 of your testimony, if

1       you want to turn to Line 3 and 4, you testify here  
2       that Z-Tel has launched service in Illinois November  
3       2000, and currently has more than 15,000 customers  
4       in Illinois?

5       A.     That's my understanding, yes.

6       Q.     How many lines are in Illinois?

7       A.     I do not know.

8       Q.     You don't have any idea?

9       A.     Nothing.

10      Q.     You couldn't estimate?

11      A.     No, I wouldn't want to venture a guess, but we  
12      can provide that to you, if you like.

13      Q.     Page 7 --

14             MS. KELLY: I'm sorry, would you like us to  
15      provide that information?

16             MS. KELLY: That's okay.

17

18      BY MS. KELLY:

19      Q.     I'm looking at the paragraph starting on Line 8  
20      to Line 14, you testify that Ameritech notifies  
21      Z-Tel that a customer has terminated service?

22      A.     Correct.

1 Q. Where did you obtain this information?

2 A. I obtained this information through our  
3 processes group.

4 Q. Is there an agreement that you have with  
5 Ameritech, is there any documentation where it says  
6 that Ameritech notifies Z-Tel? I'm just looking for  
7 the basis.

8 A. I'm not sure I understand your question. I  
9 know when we first started doing UNE-P, that was one  
10 of the issues that was being set up was to have some  
11 sort of loss notification process. As far as  
12 documentation and kicking that off, I believe other  
13 than what's in the confidential exhibit, I'm not  
14 aware of anything.

15 MS. KELLY: Okay, thank you.

16 CROSS EXAMINATION

17 BY

18 MR. FOSCO:

19 Q. Good morning, Mr. Reith. My name is Carmen  
20 Fosco. I'm one of the attorneys for staff. Has  
21 Z-Tel contracted with Ameritech to place its  
22 customers in Ameritech's directory?

1       A.    I believe it's handled in the interconnection  
2       agreement.

3       Q.    But your customers are placed in Ameritech's  
4       directory, is that correct, through the intersection  
5       agreement?

6       A.    Yes that's my understanding.

7       Q.    And Ameritech provides its directories to  
8       Z-Tel's customers; is that correct?

9       A.    That's my understanding.

10      Q.    And do you know if Ameritech -- or would you  
11      agree that Ameritech's directory includes contact  
12      information for Ameritech?

13      A.    Yes.   Subject to check, yes.

14      Q.    So based on that would it be correct that a  
15      customer does not necessarily have to obtain an  
16      Ameritech win back notice with an Ameritech contact  
17      number to have available to it information to  
18      contact Ameritech?

19      A.    That's correct.

20      Q.    Does Z-Tel charge its customers an installation  
21      fee when they sign up for service?

22      A.    I don't have any knowledge of that.

1 Q. Would you -- I guess you probably won't, but  
2 I'll go ahead and ask it. If a Z-Tel customer  
3 migrates back to Ameritech, do you know if any  
4 charges are refunded to that customer?

5 A. My understanding -- if you are speaking towards  
6 double billing then, yes, we do issue a credit.

7 Q. Actually, I'm speaking more if there was an  
8 installation charge or anything like that.

9 A. I do not know.

10 Q. Does Z-Tel charge its customer in advance? In  
11 other words, do you bill in advance for some future  
12 period?

13 A. I do not know.

14 Q. Does Z-Tel have a rolling billing period for  
15 its customers? In other words, is there one day  
16 when all customers are billed, or does it vary by  
17 customers?

18 A. My understanding there is multiple billing...

19 Q. And how much time is -- strike that.

20 Part of Z-Tel's complaint in your testimony is  
21 that you received untimely, late and unreliable loss  
22 notification; is that correct?

1       A.     Correct.

2       Q.     Is there a certain time period after which  
3       Z-Tel receives a line loss notification that it can  
4       terminate its billing of a customer?  In other  
5       words, does that take 10 days, 5 days?

6       A.     I do not know how long that takes.

7       Q.     Does every late line loss notification result  
8       in a double billing if it's only late two days?

9       A.     I do not believe so.

10      Q.     Can you provide the Commission any guidance as  
11      to how late a notice does result in a double  
12      billing?

13      A.     I would have to research that, but yes, we  
14      could provide that.

15      Q.     You've referred to blank line loss  
16      notifications in your testimony?

17      A.     Yes.

18      Q.     Is every blank line loss notification does that  
19      represent an error in every case?

20      A.     I'm not sure I understand the question.

21      Q.     Well, would the notice be blank if there were  
22      no line losses for the period of time covered by the



1 notice?

2 A. That's possible.

3 MR. FOSCO: Staff has no further cross.

4 JUDGE HAYNES: I have a question.

5 EXAMINATION

6 BY

7 JUDGE HAYNES:

8 Q. The line loss notification that's attached to  
9 your testimony, that's what Accenture provides  
10 Z-Tel?

11 A. That format, yes.

12 Q. Has -- have you provided anywhere a copy of  
13 what Accenture receives from Ameritech?

14 A. I have no provided that, no.

15 MR. KELLY: We can provide a copy of the same  
16 file that's received by Accenture from Ameritech for  
17 the same period.

18 JUDGE HAYNES: Okay.

19 MR. KELLY: As Exhibit No. 6.1.

20 JUDGE HAYNES: I want to see the difference  
21 between what they receive and what Z-Tel receives.

22 MR. KELLY: We will provide that.

1 JUDGE HAYNES: Thank you. Any redirect?

2 MR. KELLY: Yes, your Honor. Can I have a  
3 moment with the witness, please?

4 JUDGE HAYNES: Sure.

5 (Whereupon, there was  
6 a brief recess taken.)

7 MR. KELLY: Your Honor, we have no redirect of  
8 Mr. Reith. However, in talking with Mr. Reith it  
9 appears that Mr. Burkhardt would be the appropriate  
10 witness to answer some of the questions that  
11 Mr. Fosco had. So we would be willing to recall him  
12 so Mr. Fosco can address some of the questions that  
13 he had.

14 JUDGE HAYNES: Okay. So we are done with Mr.  
15 Reith, then?

16 MR. KELLY: Yes.

17 JUDGE HAYNES: You are excused, thank you.

18 (Witness excused.)

19 MR. KELLY: And, your Honor, just for the record  
20 we will provide your Honor with a late filed exhibit  
21 showing the format of the information -- the line  
22 loss notice received by Accenture.

1 JUDGE HAYNES: Okay. We will call that ALJ  
2 Exhibit 1, late filed. Okay, we will recall  
3 Mr. Burkhardt.

4 (Witness previously sworn.)

5 DONALD C. BURKHARDT,  
6 recalled as a witness herein, having been previously  
7 duly sworn, was examined and testified as follows:

8 FURTHER CROSS EXAMINATION

9 BY

10 MR. FOSCO:

11 Q. Welcome back, Mr. Burkhardt. It's my  
12 understanding that you have knowledge regarding some  
13 of the questions that I directed to Mr. Reith.

14 A. I do.

15 Q. Let me start off with one of the ones my  
16 co-counsel started out with. Do you know how many  
17 lines Z-Tel serves?

18 A. We have approximately 25,000 lines as of the  
19 February billing.

20 Q. In Illinois?

21 A. In Illinois.

22 Q. As of February 2000?

1 A. 2002.

2 Q. Do Z-Tel customers normally pay an installation  
3 fee when they sign up for Z-Tel?

4 A. For migration of service there is no  
5 installation fee. For provisioning of new service  
6 we do now charge an installation fee.

7 Q. If a Z-Tel customer moves back to Ameritech  
8 shortly after receiving service from Z-Tel, does  
9 that customer get any refund of its installation fee  
10 if he's one of the ones that pays such a fee?

11 A. I do not know if we -- if we pro rate the  
12 installation fee. I do know we pro rate the basic  
13 service fees.

14 Q. And that would be all fees for calling plans as  
15 well as custom features?

16 A. Correct.

17 Q. Do Z-Tel customers pay in advance or in arrears  
18 on their bills?

19 A. Can we backup on one clarification?

20 Q. Sure.

21 A. Z-Tel bills a bundled package that includes the  
22 features, we don't specifically bill line features.

1       So when the pro rated refund is calculated, it  
2       includes all the features.

3       Q.     Okay.  And so the double billing that's at  
4       issue in this case, you would refund all those  
5       charges that we just spoke about?

6       A.     Correct.

7       Q.     Based on the number of days that they had  
8       service with Z-Tel?

9       A.     Correct.

10      Q.     I also had some questions regarding the billing  
11      cycle, and I'm not sure if you are able to address  
12      those.

13      A.     I have some knowledge of our retail billing  
14      cycles.

15      Q.     When Z-Tel receives a line loss notification,  
16      is there an amount of time that you can specify as  
17      to when that customer's billing will be stopped?

18      A.     It's difficult to identify an amount of time  
19      because we have multiple billing cycles.  The way  
20      our billing works is that when a customer migrates  
21      or has new service with Z-Tel, when we receive the  
22      firm order confirmation they are placed in the next

1        immediate cycle that is available to them. So it  
2        could be anywhere from a day to 30 days.

3            If a customer was just billed and we receive a  
4        line loss that is 15 days late, it may or may not  
5        effect that customer's next billing.

6        Q.    I understand that it may depend on the  
7        customer's billing cycle as to whether or not their  
8        particular bill gets changed depending on when I got  
9        the line notice. But from the date Z-Tel receives a  
10       line loss notification, in general, how many days  
11       does it take to change a customer's billing record  
12       on your records, then?

13       A.    If we were to receive one timely, is that what  
14       you are asking?

15       Q.    If you receive a line loss notification on the  
16       first of the month, will that customer's account be  
17       changed on your records by the 10th, by the 15th?

18       A.    It's my understanding that that's updated  
19       within 48 hours from receipt of line loss.

20       Q.    So almost immediately?

21       A.    Yeah.

22       Q.    So every double billing circumstance that has

1       been introduced in the testimony, it has been double  
2       billing that occurred before that normal 48-hour  
3       turn around time?

4       A.    I don't understand --

5       Q.    That was vague, let me withdraw that.  I guess  
6       basically from your testimony, then, there is almost  
7       an instantaneous turn around, one or two days from  
8       when Z-Tel receives the line loss notification that  
9       your records are changed?

10      A.    Correct.

11      Q.    And does that change immediately stop a new  
12      bill from going out?

13      A.    It will.  The line loss notification triggers  
14      us stopping the next billing to the retail customer.

15           MR. FOSCO: Thank you, Mr. Burkhardt.

16           JUDGE HAYNES: Redirect?

17           MR. KELLY: No redirect.

18           JUDGE HAYNES: Thank you.

19                   (Witness excused.)

20           JUDGE HAYNES: Are there any more Z-Tel  
21      witnesses?

22           MR. KELLY: No more Z-Tel witnesses, your Honor.

1       If we could take a break I would like to give the  
2       court reporter and yourself copies of Exhibits 4 and  
3       5, the proprietary versions.

4               JUDGE HAYNES: And what are Exhibits 4 and 5?

5               MR. KELLY: Exhibits 4 and 5 are a series of  
6       discovery responses that Ameritech provided to  
7       Z-Tel.

8               JUDGE HAYNES: Okay.

9               MR. BUTTS: You are not planning to use those  
10      with Dr. Aron, are you?

11              MR. KELLY: No.

12              MR. BUTTS: Could I suggest why don't we put Dr.  
13      Aron on the stand. And then when she's done I would  
14      like to break to set up for Mr. Sirles, maybe we can  
15      do an all at the same time.

16              JUDGE HAYNES: Fine.

17                               (Witness sworn.)

18                      DEBORAH J. ARON,  
19      called as a witness herein, having been first duly  
20      sworn, was examined and testified as follows:

21

22



1 DIRECT EXAMINATION

2 BY

3 MR. BUTTS:

4 Q. Would you state your full name, please, for the  
5 record?

6 A. Deborah J. Aron, A-r-o-n.

7 Q. Dr. Aron, I will show you what has been marked  
8 as Ameritech Illinois Exhibit 2.0, consisting of 9  
9 pages and I ask you if that is your written prepared  
10 testimony in this proceeding?

11 A. Yes, it is.

12 Q. Was that document prepared by you?

13 A. Yes, it was.

14 Q. If I were to ask you the questions that are  
15 contained in that Exhibit 2.0, would your answers be  
16 the same?

17 A. Yes, it would.

18 Q. Are there any corrections or changes that you  
19 would need to make to that?

20 A. I have none.

21 MR. BUTTS: I would offer in evidence Ameritech  
22 Exhibit No. 2.0, and I would tender Dr. Aron for

1 cross examination. And 2.0 also includes Schedule  
2 A, which is Dr. Aron's curriculum vitae.

3 MR. KELLY: Doctor, we do have an objection to a  
4 submission of a part of Dr. Aron's testimony.

5 JUDGE HAYNES: What is the objection?

6 MR. KELLY: Your Honor, we would move to strike  
7 beginning at Page 6, Line 118, through the end of  
8 Page 7, Line 168. Dr. Aron there attempts to form  
9 an opinion on the alleged pro competitive effects of  
10 Ameritech's win back offers. However, she indicates  
11 in Page 5 of her testimony that she has not examined  
12 Ameritech Illinois' win back promotions.

13 And in addition, she has not evaluated the  
14 potential harm to competition, if any, that might  
15 ensue from a lack of timeliness or accuracy of line  
16 loss notification. Given the fact that she hasn't  
17 reviewed Ameritech win back offers, we don't believe  
18 she can give an opinion as to whether the effects of  
19 those win back offers are competitive or  
20 anticompetitive.

21 MR. BUTTS: Dr. Aron's testimony discusses  
22 generically win back promotional offers which offer

1 customers discounts in order to return to the  
2 original carrier. She offers that testimony only in  
3 response to the remedy that has been requested by  
4 Z-Tel -- one of the remedies that has been requested  
5 by Z-Tel in this proceeding.

6 There is no allegation in this proceeding that  
7 win back itself is anticompetitive or improper or  
8 discriminatory. Win back -- and therefore it is not  
9 necessary for Dr. Aron to address or be familiar  
10 with the specifics of Ameritech Illinois' individual  
11 win back offerings.

12 What they are asking to do is simply stop  
13 Ameritech from communicating win back offers to  
14 customers as a remedy for a different problem  
15 related to line loss. And Dr. Aron's testimony in  
16 Part 2 and Part 3 addresses the impacts on consumers  
17 and competition from stopping a carrier from  
18 providing -- from communicating win back discount  
19 offers to customers as a remedy for some other  
20 problem.

21 And she discusses the impacts that that would  
22 have on customers and competition, and why, if that

1 is considered as a remedy, it has to be narrowly  
2 tailored to the problem that is being addressed. I  
3 think that is entirely relevant to this case and the  
4 testimony is proper.

5 JUDGE HAYNES: Does staff have a statement?

6 MR. FOSCO: Staff doesn't have an objection to  
7 Dr. Aron's testimony.

8 JUDGE HAYNES: I'll allow the testimony.

9 MR. KELLY: Should I proceed?

10 JUDGE HAYNES: Exhibit 2.0 Dr. Aron's testimony,  
11 is admitted.

12 (Whereupon Ameritech Exhibit  
13 No. 2.0 was marked for  
14 identification and admitted  
15 into evidence as of this date.)

16 JUDGE HAYNES: Proceed.

17 CROSS EXAMINATION

18 BY

19 MR. KELLY:

20 Q. Good morning, Dr. Aron, my name is Hank Kelly,  
21 I represent Z-Tel Communications?

22 A. Good morning, Mr. Kelly.

1 Q. You represent in your testimony that you have  
2 not had a chance or have not reviewed any of  
3 Ameritech's win back offerings; is that correct?

4 A. I have not specifically examined Ameritech  
5 Illinois' win back offerings, that's correct.

6 Q. Are you aware that Ameritech Illinois offers  
7 its win back promotional discounts, price discounts  
8 only to consumers that have left Ameritech to  
9 migrate to another competitive local interexchange  
10 carrier?

11 A. That is generally a characteristic of win back  
12 offers, so it doesn't surprise me that's a  
13 characteristic of Ameritech Illinois' win back  
14 offerings.

15 Q. Isn't it true, if you know -- strike that.

16 Isn't it true that Ameritech makes its price  
17 discounts to consumers only if that consumer has in  
18 fact left Ameritech?

19 A. Again, that would normally be a characteristic  
20 of a win back offer.

21 Q. And you haven't evaluated whether in fact  
22 that's the case in Ameritech's offers?

1       A.    As I said, I haven't examined Ameritech's  
2       offers, specifically. I have examined win back  
3       offers in this industry, and that's a  
4       characteristic, that describes win back offers  
5       generally.

6       Q.    Have you identified the actual price discounts  
7       that Ameritech makes available to its win back  
8       customers?

9           MR. BUTTS: I'm going to object to this line of  
10       questioning. We've already established that  
11       Dr. Aron did not look at the specific win back  
12       offerings offered by Ameritech Illinois. So I'm not  
13       sure what good it does to ask her a series of  
14       questions about the specific programs.

15          MR. KELLY: Goes to the weight of her testimony,  
16       your Honor. If she is offering an opinion about  
17       win back offers that she hasn't identified and  
18       hasn't reviewed, I think it goes to the weight of  
19       her opinions.

20          JUDGE HAYNES: I believe she's already been  
21       asked and answered that she didn't review those win  
22       back offerings.

1 MR. KELLY: If I may then ask, your Honor.

2 BY MR. KELLY:

3 Q. Dr. Aron have you identified or have you looked  
4 at any of the price discounts specifically that are  
5 made available to win back customers?

6 A. Not in Illinois, but I have done so elsewhere.  
7 It wasn't relevant to my testimony here.

8 Q. And so you don't know in fact whether the price  
9 discounts that Ameritech makes available to its win  
10 back customers are priced below cost or not?

11 A. Is your question specific to Illinois?

12 Q. Yes.

13 A. No, that wasn't relevant to my testimony here,  
14 so I didn't look at that.

15 Q. And do you know whether in fact the win back  
16 price -- I'm sorry, the win back price discounts are  
17 below the prices charged by Z-Tel?

18 MR. BUTTS: I'm going to object to this line of  
19 questioning. The propriety of win back marketing  
20 materials per se is not at issue in this proceeding.  
21 Win back is involved in this proceeding only to the  
22 extent they are asking for Ameritech to be

1 prohibited from communicating win back offers as a  
2 remedy. And therefore the merits of the individual  
3 win back programs I don't think are at issue here.

4 MR. KELLY: Your Honor, Dr. Aron has given an  
5 opinion that win back offers are competitive, and  
6 competitive response, and we believe that she hasn't  
7 sufficient facts in order to form the basis about  
8 whether in fact that is the case.

9 JUDGE HAYNES: I will allow the question.

10 THE WITNESS: Would you mind repeating it,  
11 please.

12 MR. KELLY: Would you read it back.

13 (Whereupon, the record was  
14 read as requested.)

15 THE WITNESS: Had the allegations in this case  
16 been that the win back pricing is predatory, I would  
17 certainly have looked at that question. But I've  
18 read the complaint in this case, and nowhere did I  
19 see an allegation that the win back offers are  
20 predatory, nor was I asked to examine whether the  
21 win back offers are predatory.

22 My testimony goes to whether in the context of



1       the case in which the line loss notification system  
2       is alleged to be anticompetitive and have some other  
3       problems as well, whether win back offers -- whether  
4       Ameritech's ability to communicate its win back  
5       offers should be limited, and that's the context of  
6       my investigation.

7       BY MR. KELLY:

8       Q.     If Ameritech has problems in offering line loss  
9       notification -- strike that.

10            You indicated in your testimony that you have  
11       not examined the relevant evidence -- I'm sorry, not  
12       evaluated the potential harm to competition, if any,  
13       that might ensue from a lack of timeliness or  
14       accuracy of line loss notification, correct?

15       A.     That's correct.

16       Q.     And if it's proven that Ameritech has not  
17       provided accurate line loss notification, do you  
18       have an opinion whether Ameritech -- strike that.

19            If Ameritech did not provide any line loss  
20       notification to Z-Tel, do you believe that  
21       Ameritech's win back offers would still be  
22       competitive?

1       A.    I see that question as a nonsequitor and I'll  
2       tell you why.  The issue of whether Ameritech's line  
3       loss notification system is functioning the way it  
4       should is the issue in this case, as I understand  
5       it.

6               And if in fact it's not and I believe that  
7       Ameritech acknowledges that there are problems with  
8       that system, that is indeed a problem that I presume  
9       ought to be fixed and may cause harm to Z-Tel, I  
10      haven't examined that.  But whether or not it causes  
11      harm to Z-Tel doesn't -- isn't conclusive as to  
12      whether that harm harms competition itself.

13             In my view, then, as I said in my testimony,  
14      the Commission ought to only consider limiting  
15      Ameritech's ability to engage in win back if it  
16      concludes that the line loss problems actually cause  
17      harm to competition.  And in that case, should only  
18      limit win back in a very targeted fashion that  
19      rectifies the asymmetry that might result from the  
20      line loss notification problem.

21      Q.    Is it true that one of the premises of your  
22      theory that win back offers are competitive is that

1 all competitors in the market should have an equal  
2 opportunity to win back a customer?

3 A. No. In general the reason that win back offers  
4 are pro competitive is fundamentally that they are  
5 directly beneficial to consumers. That is, if a  
6 consumer is communicated the information that they  
7 have an opportunity to get a better price, that is  
8 directly beneficial to that consumer. And that is  
9 true regardless of the symmetry of the opportunity.

10 I'm not saying that an asymmetry may not be  
11 problematic in some way, but the asymmetry doesn't  
12 go to whether or not there is, in fact, a customer  
13 benefit from win back, there is.

14 Q. Wouldn't it promote competition if in fact  
15 there was an equal opportunity for competitors to  
16 send win back marketing materials?

17 A. That would depend on whether an asymmetric  
18 opportunity would be anticompetitive, meaning it  
19 would harm competition in some way. And by that I  
20 mean that there would be harm to competition as  
21 distinction from a harm to any given competitor,  
22 which may indeed result from some asymmetry. That,

1       again, isn't dispositive, it doesn't determine  
2       whether there is a harm to competition itself.

3             And the fact is, that having the opportunity to  
4       be made cognizant of better price offers benefits  
5       consumers, and therefore is directly beneficial,  
6       generally, regardless of the asymmetry.

7       Q.     Well, if a consumer left Z-Tel to migrate to  
8       another competitive local exchange carrier, would  
9       consumers be better off if Z-Tel could market to  
10      that consumer, possibly offer that consumer a lower  
11      price, would that benefit consumers?

12      A.     I think that the consumers who received those  
13      offers would be better off than had they not  
14      received them, yes.

15      Q.     And isn't that intent of competition, is to  
16      provide consumers additional options in who to  
17      purchase their local exchange service from?

18      A.     The intent of competition -- is that the word  
19      you used the intent?

20      Q.     Isn't that one of the purposes of competition  
21      to try and provide consumers with additional  
22      alternatives, possibly at a lower price?

1       A.     In general the purpose, I think, of competition  
2       is to create incentives and opportunities for  
3       parties in the market to provide options to  
4       consumers, and possibly lower prices.

5       Q.     And if one competitor has an advantage in  
6       providing those opportunities to consumers, is that  
7       a benefit to consumers?

8       A.     The premise that one party has an advantage  
9       doesn't necessarily imply that there is a harm to  
10      consumers. And there are a couple of reasons for  
11      that. One is that there are a number of reasons  
12      that one party may have an advantage, speaking  
13      generally now, not just about this specific  
14      allegations in this case.

15            But just to answer your question, as an  
16      economist, in markets generally firms have  
17      advantages of one over another for various reasons  
18      pertaining to their own skills or expertise and  
19      that's not anticompetitive or problematic.

20            Second, to the extent that there is some reason  
21      that is not fundamental to the underlying  
22      capabilities of the firms that causes one firm to

1 have an advantage over another, that may be harmful  
2 to that second firm, and may be -- and it may be the  
3 result of even some legal activity, or some activity  
4 that should be sanctioned. I'm not saying that  
5 that's the case here, but it could well be.

6 As an economist, though, that does not  
7 necessarily imply that the effect of that is  
8 anticompetitive, meaning that it generally harms  
9 consumers or is likely to lead to higher prices in  
10 the market.

11 MR. KELLY: Could you read back that last --  
12 after the second, the last part of that answer,  
13 please.

14 (Whereupon, the record  
15 was read, as requested.)

16 BY MR. KELLY:

17 Q. Would you agree that if Ameritech's providing  
18 inaccurate line loss information to Z-Tel which  
19 precludes Z-Tel from offering win back marketing  
20 materials to its consumers, that -- or to its former  
21 customers, that that is not a benefit to consumers?

22 A. Yes.

1 Q. Would you agree that if Z-Tel cannot offer  
2 benefits to consumers in the same way that Ameritech  
3 can offer benefits to consumers through offering  
4 lower prices, that that harms competition?

5 A. No. As I indicated earlier, I can't conclude  
6 that that necessarily harms competition.

7 Q. Would you agree that this doesn't promote  
8 competition?

9 A. I would agree that it doesn't promote  
10 competition in the sense that it doesn't create  
11 additional opportunities for consumer benefits or  
12 prices to respond to additional opportunities.

13 MR. KELLY: Your Honor, no further cross  
14 examination. Dr. Aron, thank you very much.

15 JUDGE HAYNES: Does staff have any cross?

16 MR. FOSCO: No cross by staff.

17 JUDGE HAYNES: Redirect?

18 MR. BUTTS: We have no redirect.

19 JUDGE HAYNES: Thank you.

20 MR. BUTTS: Your Honor, now would be a time, if  
21 we could take a break, Mr. Kelly wants to provide  
22 some exhibits, and I would like a little opportunity

1 to set up for Mr. Sirles.

2 JUDGE HAYNES: Okay, we will go off the record.

3 (Whereupon there was a  
4 luncheon recess.)

5 MR. KELLY: Your Honor, for the record, this is  
6 Henry Kelly. We have provided the court reporter  
7 with public and proprietary sets of Z-Tel's Exhibit  
8 No. 4 and Z-Tel's Exhibit No. 5. And I understand  
9 they have been marked by the court reporter.

10 At this time, your Honor, we would move for the  
11 admission of those two exhibits, and I'll just note  
12 that when we get some envelopes we will put the  
13 proprietary and confidential sets of those exhibits  
14 in an envelope and have those so marked.

15 JUDGE HAYNES: Are there any objections?

16 MR. BUTTS: No objections.

17 MR. FOSCO: No objections.

18 MR. BUTTS: And then with respect to Ameritech  
19 Illinois Cross Exhibit 1, Mr. Reith, we marked the  
20 cover page of our proprietary exhibit as Cross  
21 Exhibit No. 1. The underlying documents are here,  
22 we will put those in an envelope, and mark those as



1 Ameritech Illinois Cross Exhibit 1 the proprietary  
2 version. And I will provide those to the court  
3 reporter. I believe I did provide you a copy, but  
4 we will treat the underlying documents as a  
5 proprietary version. And I think I did so at the  
6 time, but if I did not I would move their admission.

7 JUDGE HAYNES: Okay, is there any objection?

8 MR. KELLY: No objection.

9 JUDGE HAYNES: Z-Tel's public and proprietary  
10 versions of Exhibits 4 and 5 are admitted and as is  
11 Ameritech's Cross Exhibit 1.

12 (Whereupon Z-Tel Exhibits  
13 Nos. 4, 4P, 5 and 5P were  
14 marked for identification and  
15 admitted into evidence  
16 as of this date.)

17 MR. BUTTS: Before I introduce my next witness,  
18 Mr. Sirles, I want to explain one change we are  
19 making to Mr. Sirles' testimony relating to Schedule  
20 5, which is excerpts of certain pages of the  
21 interconnection agreement.

22 I prepared that exhibit by obtaining an

1 electronic mail copy of the interconnection  
2 agreement. I opened that document using Word 6.0,  
3 and when I opened it, Word reformatted the Roman  
4 numeral numbers on the text changed the 1, 2, 3 and  
5 4. So I then manually retyped in Article 28, 1.1  
6 Article 28, 1.2. and when saved it and reopened it,  
7 Word changed it to Article 27.

8 So the copies that you currently have show  
9 Article 27. Ms. Flack (phonetic) who is better at  
10 word processing than I has again changed them to  
11 Article 28, and we have substituted Article 28 to  
12 Article 27 on that schedule and she has cross  
13 checked that so we believe it is correct.

14 So I'll ask him about that schedule, but that  
15 is the nature of that change and I wanted to explain  
16 it beforehand since it was my doing and not my  
17 witness'. I can give you a corrected copy with that  
18 change made. It's really Article 28, somehow it  
19 came out Article 27. With that we are prepared to  
20 proceed.

21 JUDGE HAYNES: Okay, please call your witness.

22 MR. BUTTS: Mr. Glen Sirles, can you stand to be

1 sworn.

2 (Witness sworn.)

3 GLEN SIRLES,

4 called as a witness herein, having been first duly  
5 sworn, was examined and testified as follows:

6 DIRECT EXAMINATION

7 BY

8 MR. BUTTS:

9 Q. Would you state your full name, please, for the  
10 record?

11 A. Glen Sirles.

12 Q. Mr. Sirles, I'll show you what's been marked as  
13 Ameritech Exhibit 1.0 consisting of 21 pages of  
14 text, and I believe five schedules. And I will ask  
15 you if that is your prepared written testimony in  
16 this proceeding?

17 A. Yes, it is.

18 Q. Was that testimony prepared by you?

19 A. Yes.

20 Q. And you heard me a little earlier mentioning a  
21 change in the numbering of Schedule 5, which is  
22 excerpts from the interconnection agreement; is that

1 correct?

2 A. That's correct.

3 Q. And we have supplied the court reporter with  
4 corrected copies of the testimony with those article  
5 numbers correct; is that true?

6 A. That's true.

7 Q. Are there any other changes that you wish to  
8 make to this testimony?

9 A. Yes, there is.

10 Q. Would you please describe those?

11 A. On Page 5 down at Line 116 the sentence that  
12 starts on that line, in replacement of the line loss  
13 information, I would like to delete the words in  
14 replacement, and replace those two words with the  
15 word instead.

16 On the next line in the phrase in Ameritech's  
17 business retail units were required to, I want to  
18 strike the words were required to. Again at the end  
19 of the next word obtain, I want to add an e-d so it  
20 reads obtained. On Line 118, the next line, there  
21 are loss line data, after that word data I want to  
22 add the word only.

1           And then on Line 119, in the next sentence, the  
2           sentence that starts with therefore Ameritech retail  
3           business units, I want to strike the word now. I  
4           can read all of that if you want me to.

5           MR. KELLY: Can you do me a favor, please, and  
6           go back to the previous one about data, I missed  
7           that.

8           THE WITNESS: Yes, Line 118, their line loss  
9           data, add the word only following data.

10          MR. KELLY: So it would read, their line loss  
11          data only from.

12          THE WITNESS: I can read the whole thing if you  
13          would like me to.

14          MR. KELLY: No, thanks.

15          BY MR. BUTTS:

16          Q.    Very briefly, what is the reason for that  
17          change?

18          A.    In preparing for this hearing, I ran across  
19          some additional information. And that additional  
20          information was that the disconnect report or report  
21          of disconnect information as supplied to Ameritech's  
22          retail unit actually had been supplied to

1 Ameritech's retail unit back as far as 1997.

2 And it was during a period of time when they  
3 used or were provided with that information in  
4 addition to the 836 line loss notification. So I  
5 wanted to correct this testimony because the  
6 testimony implied that there was a switch from using  
7 the disconnect or using the 826 to using the  
8 disconnect information, and in actuality they were  
9 receiving both during that period of time and I  
10 wanted this to reflect accuracy.

11 MR. BUTTS: With that I would move the admission  
12 of Ameritech Illinois Exhibit 1.0 and the attached  
13 schedules and would tender Mr. Sirles for cross  
14 examination.

15 JUDGE HAYNES: Any objection?

16 MR. KELLY: No.

17 MR. FOSCO: Staff doesn't have an objection, but  
18 staff would like -- Ameritech has relied upon the  
19 interconnection agreement and staff would like, it  
20 doesn't object as long as we can introduce the whole  
21 interconnection agreement into the record.

22 MR. BUTTS: Absolutely, no problem. I would

1 have done that except it's so long.

2 MR. KELLY: I agree, no objection to that.

3 JUDGE HAYNES: Ameritech Exhibit 1.0 and  
4 attached schedules are admitted.

5 (Whereupon Ameritech Exhibit  
6 No. 1 was marked for identification  
7 and admitted into evidence  
8 as of this date.)

9 JUDGE HAYNES: Cross examination.

10 CROSS EXAMINATION

11 BY

12 MR. KELLY:

13 Q. Yes, your Honor. Mr. Sirles, my name is Hank  
14 Kelly and I represent Z-Tel. Good afternoon.

15 A. Hi.

16 Q. You discussed that there are, in your  
17 testimony, that there are two types of notice given  
18 to Ameritech when a customer migrates from Ameritech  
19 to Z-Tel or another competitive local exchange  
20 carrier; is that correct?

21 A. To Ameritech's retail unit?

22 Q. Yes.

1 A. That's correct.

2 Q. And one of those notices is commonly referred  
3 to as the 836 line loss notification?

4 A. Correct.

5 Q. And the other notice, what would you  
6 characterize the other notice to be? What is the  
7 most commonly used term by Ameritech for that  
8 notice?

9 A. It would be a file of disconnected orders or  
10 disconnected lines.

11 Q. Now, the 836 line loss notification, I would  
12 like to get in a little bit about the history of  
13 that, where it was developed from and so on.

14 What is the first date that you are aware of  
15 that Ameritech retail began receiving an 836 line  
16 loss notification?

17 A. The earliest date I'm aware of is probably in  
18 '97. Whether it was provided to them before '97 or  
19 not, I'm not really sure.

20 Q. That assumes that there were Ameritech  
21 customers migrating to another competitive local  
22 exchange carrier?



1       A.     That's correct.

2       Q.     Now, did that 836 line loss notification report  
3       or form, who developed the software to create those  
4       forms? Or create those notices?

5       A.     I can only make an assumption. At that time  
6       the software was developed by an Ameritech business  
7       unit that managed the wholesale operation. There  
8       were contractors involved in that effort all under  
9       the direction of Ameritech.

10      Q.     Do you know whether the software was derived  
11      from other software, from another that had been in  
12      place for another use. For example, to identify  
13      switches of long distance primary interexchange  
14      carrier?

15      A.     No, I don't have knowledge of that.

16      Q.     Do you know who at Ameritech would have  
17      information about that?

18      A.     Not offhand, no.

19      Q.     Any of the folks that Ameritech produced today  
20      to bring here, do you know whether any of those  
21      folks might have knowledge of that?

22      A.     I don't know for sure, but knowing their job

1 functions, I would not think that they would.

2 Q. Now, was the 836 line loss notification created  
3 primarily to accommodate Ameritech or to notify  
4 Ameritech when one of its customers migrated to  
5 another local exchange carrier?

6 A. Well, the 836 line loss process is part of the  
7 industry guidelines that was worked out among the  
8 participants of the ordering and billing form. Its  
9 design is to notify any party when they have lost a  
10 line, especially a line that they are -- that  
11 perhaps they are the only one to know when the loss  
12 occurs.

13 Q. I'm sorry, I miss -- I didn't understand that  
14 last part, especially when they are the only ones to  
15 know when a line loss occurs?

16 A. The notification can be sent under different  
17 conditions, and it's implementation is different in  
18 a lot of different areas and different companies.  
19 The design is to simply provide loss information  
20 from one party to another when there is dollars of  
21 loss.

22 Q. Is it primarily used by -- to notify a CLEC

1       that is an unbundled network element platform  
2       provider?

3       A.    Not primarily, no.  Its also very prevalent in  
4       the resale world.

5       Q.    Okay.  So the 836 line loss notification is  
6       also provided to resellers when they lose a line as  
7       well?

8       A.    Correct.

9       Q.    Now, you indicated also that there was a  
10      separate notice of disconnect or a disconnect file  
11      that is generated when an Ameritech customer  
12      migrates to another carrier.  That disconnect file  
13      is sent to Ameritech's retail operations?

14      A.    That's correct.

15      Q.    When was that software developed?

16      A.    My knowledge of that is that the process dates  
17      back to '97.  Whether it was beyond that, I'm not  
18      sure.

19      Q.    Why is it that you believe it was -- were they  
20      both developed at the same time, both processes?

21      A.    Well, obviously all of this was developed  
22      subsequent to the implementation of the Telecom Act

1       in 96, so many of these processes were put in place  
2       during 1997.

3       Q.     Were the two different processes put in place  
4       in tandem by the same software developers?

5       A.     That, I don't know.

6       Q.     Do you know who would know that at Ameritech?

7       A.     Not offhand, I don't.

8       Q.     Do you know whether any of the witnesses that  
9       accompanied you here today might know that  
10      information?

11      A.     I don't know that for sure.  Again, knowing  
12      their job functions, I don't know that they would.

13      Q.     Could you state the names of the four witnesses  
14      that Ameritech brought with today, pursuant to our  
15      stipulation and agreement reached last Friday?

16      A.     Sure.

17      Q.     And I only want to do that just as a precursor.  
18      I would like to get your understanding of what those  
19      job functions are.

20      A.     Sure.  Michael Cippio is in my organization, he  
21      is responsible for OSS customer support.  Ron Caton  
22      is in my organization, he is a business requirements

1 developer.

2 Q. What is a business requirements developer?

3 A. A business requirements developer is a  
4 documenter of system change work from the  
5 perspective of the user of the system. They  
6 conceptualize the change that is necessary in order  
7 for the user of the system to effectively interact  
8 with the system. And then crystallize that into  
9 documents that usually information technology group  
10 can use to understand how to modify code.

11 Q. I don't want to get too far afield here, but  
12 the the business requirements developer, they don't  
13 actually identify what the changes are in the IT  
14 systems that need to be made, they just simply  
15 document those changes for the user; is that fair?

16 A. No. They may do an update to the user, but  
17 their documents are generally used by the  
18 information technology group to understand what  
19 changes need to be made in the system.

20 Now, they are essentially at a business level.  
21 They may identify systems they think need to be  
22 changed. They may even identify components of those

1       systems that they think need to be changed and  
2       describe in what way they need to be changed. They  
3       stop at the point of turning it into the exact how  
4       the system would be changed, and what software code  
5       needs to be written.

6       Q.     And who would do that?

7       A.     Generally the next step in the process is a  
8       systems requirements developer. That individual  
9       usually presides, from Ameritech's perspective, in  
10      our information technology group. They take the  
11      business requirements document and they take it down  
12      one more level. Knowing the system, they actually  
13      try and take the business need, and work it into the  
14      specific changes of a given system or set of  
15      systems, so that the person who is actually going to  
16      write software code knows exactly what to do.

17            Business requirements document is usually the  
18      document that contains logic statements and the  
19      direction to put those logic statements into certain  
20      modules or system programs.

21      Q.     Just let me get a couple of things on the floor  
22      here. The 836, you said that Mr. Caton was a

1 business requirements developer or documenter, and  
2 he would document or that role, those types of  
3 individuals, is to document changes so that the end  
4 user could understand them, or words to that effect.

5 The 836 line loss notification, who is the  
6 user, the end user in the words -- who are you  
7 referring there for the 836? Would that be  
8 Ameritech wholesale?

9 A. Ameritech wholesale -- no, I'm sorry, it would  
10 be from the perspective of the CLEC, or the receiver  
11 of the 836.

12 Q. How about the line loss disconnect file, who  
13 would be the user of that system?

14 A. It would be Ameritech's retail organization.

15 Q. I'm sorry, let's go back to, you had indicated  
16 Mike Cippio, Ron Caton.

17 A. Tom Doyle. Tom is in our information  
18 technology group and has responsibilities for  
19 certain aspects of MOR system, mechanized order  
20 receipt system which is a wholesale service  
21 processor.

22 Q. We will get to that later, I hope. And who

1       else?

2       A.     Jerry Truxel (phonetic).  Jerry is in our  
3       information technology group, more on the retail  
4       side of things.  Has responsibilities for receiving  
5       the disconnect service order information and passing  
6       it on to Ameritech's win back systems.

7       Q.     Thank you, I appreciate that.  So we were  
8       talking about the two systems that Ameritech has in  
9       place to notify loss line, one is the 836 disconnect  
10      notice and the other just a disconnect file.  And  
11      both were developed in 1997, and you are not sure  
12      whether any one of the four individuals that you  
13      referred to would know whether in fact those files  
14      were created in tandem or developed in tandem with  
15      each other?

16      A.     That's a correct summation, yeah.

17      Q.     When Ameritech developed the 836 line loss  
18      notification system, what was the process that  
19      Ameritech went through to design and test the system  
20      to determine whether it did the functions correctly,  
21      the functions that it was designed to do?

22      A.     When it was originally designed?



1 Q. Yes.

2 A. I really can't speak to exactly what was gone  
3 through at that point. I could only describe  
4 generically how we would have gone about that  
5 process.

6 Q. Well, before you do that, tell me a little bit  
7 about your background. How long have you been with  
8 Ameritech? And I apologize some of this may be in  
9 your testimony.

10 A. I'm an SBC employee, I've been with SBC in some  
11 capacity for 29 years. I've had responsibility for  
12 operation support systems for local competition well  
13 back into '97. I had responsibility for the  
14 Ameritech operations support system since the merger  
15 between SBC and Ameritech.

16 Q. So the system was developed, the 836, the  
17 Ameritech 836 system was developed prior to the  
18 merger with SBC?

19 A. Yes, it was.

20 Q. And you were not involved then during that  
21 time?

22 A. No, I was not.

1 Q. And can you tell me what SBC would do to test  
2 an 836 line loss notification system back in, say,  
3 1997?

4 A. Sure.

5 Q. You would have knowledge of that, I assume?

6 A. I would have knowledge of that generically. In  
7 our other regions we don't have yet an 836 line loss  
8 process, but we do have similar service order  
9 processes, and I do know what we go through to test  
10 those.

11 Q. Okay.

12 A. We have two groups of testers. We have a group  
13 within information technology that actually test the  
14 design of the system trying to determine if the  
15 system matched the actual documents that were their  
16 starting point documents.

17 And then we have what is known as user  
18 acceptance testing, which is the business people who  
19 actually know what the output is supposed to be and  
20 the outcome of all of works. Both of those two  
21 groups develop test case. The information  
22 technology usually test subsequent components, using

1 transactions, hand off points from one module to  
2 another, or from one system to another.

3 The user acceptance group would test using fake  
4 customer order scenarios and they would detail  
5 certain scenarios, such as a migration from retail  
6 to resale of a two line hunt group. And they would  
7 outline the expected outcomes of processing that  
8 order all the way through the notification process.  
9 And then we submit orders through the test  
10 environment before we release a new software  
11 version. And test to make sure all of the outcomes  
12 are met.

13 Q. And just based on your experience, would you  
14 agree that Ameritech should identify the different  
15 scenarios for an 836 line loss notification, and  
16 test those, or they should have tested those back in  
17 1997 in the manner that you are describing?

18 A. I would think that they would have, yes. It's  
19 part of those order scenarios or perhaps some other  
20 way.

21 Q. And just for the record, when we talk about  
22 scenarios, we are talking about, say, for example,

1       when a Z-Tel customer migrates to Ameritech, that  
2       would be one scenario, would you agree?

3       A.     Yes.

4       Q.     And when a Z-Tel customer migrates to or  
5       switches local exchange service to another  
6       competitive local exchange carrier, that would be  
7       another scenario?

8       A.     It would be, yes.

9       Q.     And when an Ameritech customer switches to  
10      Z-Tel or another competitive local exchange carrier,  
11      that would be one scenario that should be tested in  
12      the manner that you described, would you agree?

13      A.     Yes.   And likely in a bit more detail.

14      Q.     And then there are different layers of  
15      complexity with these scenarios.  You might have,  
16      for example, a customer that is -- has two lines, a  
17      main line, and a second line, and would switch the  
18      second line to -- say from Z-Tel to Ameritech, that  
19      would be another scenario that should be tested,  
20      would you agree with that?

21      A.     Yes, I would.  That's certainly a scenario that  
22      exists, and could become a test case.

1 Q. And do you know whether Ameritech, when they  
2 developed the 836 line loss notification process  
3 back in 1997, followed the procedures that you  
4 described?

5 A. In '97, I don't know personally, no.

6 Q. And do you know whether Ameritech tested the  
7 different scenarios that could occur that would  
8 generate an 836 line loss notification back in 1997?

9 A. Personally, no. I only understand that that  
10 would be normal with software development.

11 Q. And do you know whether those processes for the  
12 836 line loss notification were done in 1998 or  
13 1999, prior to the merger?

14 A. Not personally, no. I am aware that they had  
15 software releases during that period of time.  
16 Likely they were tested.

17 Q. But you don't know that for sure?

18 A. No.

19 Q. Now, prior to the merger, for the disconnect  
20 notice, do you know whether Ameritech or what sort  
21 of testing Ameritech did to -- for the disconnect  
22 notice that's made available to Ameritech retail

1 operations?

2 A. No, I really don't.

3 Q. Now, from what I understand, Ameritech had made  
4 or had used -- Ameritech's retail operations had  
5 used the 836 line loss notice to detect or to become  
6 aware when one of its customers migrated to another  
7 local exchange carrier, and that that -- the 836  
8 line loss notification was used up until about June  
9 of 2000?

10 A. Yes, that's what I understand.

11 Q. At the same time did Ameritech also --  
12 Ameritech's retail operations also rely upon the  
13 disconnect notice?

14 A. That's also my understanding, which is the  
15 reason I corrected my testimony, because I do  
16 understand that they received both during that  
17 period of time, and actually used both in some  
18 capacity until June of 2000. And in June of 2000  
19 they made an alteration to stop the use of the 836.

20 Q. And do you know whether Ameritech's retail  
21 operations currently receive 836 line loss  
22 notifications?

1       A.     They currently receive them, yes.  It's my  
2       understanding that they don't use them in developing  
3       the information that triggers one back.

4       Q.     Do you know what they do with those reports or  
5       those files?

6       A.     To my knowledge, nothing.  They just receive  
7       the data and it stops and goes nowhere.

8       Q.     Do you know why Ameritech in June of 2000  
9       stopped relying upon the 836 line loss notices,  
10      Ameritech retail operations?

11      A.     Yes.  The format of the Issue 7 line loss  
12      notification contains a field that could identify  
13      the winning CLEC.  And although it's intended to be  
14      populated with a fixed code that does not identify  
15      the winning CLEC, there was a concern that that  
16      process might fail at some point.

17             There was also a concern about the overall  
18      perception of receiving information from the  
19      wholesale system, some hand off of wholesale data  
20      over to retail.  The decision was made to simply  
21      stop the process, and rely on different data sources  
22      within the company to provide information to retail.

1 Q. Were you in your current position with SBC back  
2 in June of 2000?

3 A. Yes, I was.

4 Q. Did you participate in any of the decision  
5 making to no longer have Ameritech retail rely upon  
6 the 836 line loss notification in June of 2000?

7 A. No, I did not.

8 Q. Did Ameritech retail operations in June of 2000  
9 use the 836 line loss notification or prior to June  
10 of 2000, back all the way to 1997, did they use the  
11 information in the 836 line loss notice?

12 A. My understanding is that they did in some  
13 manner or capacity.

14 Q. And do you know whether they -- you indicated  
15 that one of the data fields that's populated in the  
16 836 line loss notice that is given to Ameritech's  
17 retail operations could contain the name of the  
18 winning carrier. And do you know whether Ameritech  
19 used that information, Ameritech retail operations  
20 used that information in any way?

21 A. I don't know whether they used it in any way.  
22 As I said, the field was supposed to be populated



1 with a fixed character that would not have indicated  
2 the particular winning CLEC. I think we exercised  
3 probably an over abundance of caution in modifying  
4 the process.

5 Q. And when did you modify the process?

6 A. June of 2000.

7 Q. Well, were there times when that data field was  
8 populated with the winning carrier?

9 A. It should not have been. And whether at the  
10 original exception of the line loss, the 836, it  
11 ever was, I really can't say. I know the current  
12 information I have on Issue 7 would say that it's  
13 not, it's all populated with a fixed value.

14 Q. But do you know -- I mean, were there times,  
15 prior to June of 2000, that the data field that  
16 contains the name of the winning carrier, whether  
17 that information was provided to Ameritech retail  
18 operations?

19 A. If it was ever populated by accident or by  
20 design, and by design it should not have been, then  
21 it would have been provided to Ameritech retail.  
22 Whether they used it or not, I don't know.

1 Q. And do you know whether in fact that happened  
2 during that period of time?

3 A. No, I really don't.

4 Q. Do you know that it didn't happen?

5 A. I just know it should have had a fixed value  
6 that would not have identified the winning CLEC.

7 Q. But it's possible that Ameritech retail  
8 operations had been provided that information prior  
9 to June of 2000?

10 A. That's really why we exercised the caution that  
11 we did and altered the process because that  
12 possibility existed. There was, I think, a sense  
13 that a guarantee could not be made that that  
14 information would not be masked.

15 Q. And why would there not be a guarantee that  
16 that information would not be masked, systems fail?

17 A. The systems fail.

18 Q. So it was possible prior -- because systems  
19 fail, and because the 836 line loss notification  
20 systems could fail, it's possible that Ameritech  
21 retail operations received the name of the winning  
22 carrier on the 836 line loss notices prior to June

1 of 2000, yes or no?

2 A. I would assume there is a remote possibility  
3 that could have happened. What they did with the  
4 information if they did receive it, I don't know.  
5 Receiving it and using it are two different things.

6 Q. And do you know what Ameritech retail  
7 operations did with that information?

8 A. No, I don't.

9 Q. So it's possible if they received it that they  
10 also could have used it in their win back efforts;  
11 isn't that true?

12 A. That is a possibility.

13 Q. And is there any witness here today that would  
14 knowledge of the win back systems? When I talk  
15 about win back systems, I mean the software that  
16 generates win back notices to customers, is there  
17 anyone here that -- either Mr. Truxel or  
18 Mr. Doyle or Mr. Cippio or Mr. Caton that would know  
19 whether that information was or was not used prior  
20 to June of 2000?

21 A. I'm not sure any of them know whether exactly  
22 it was or was not used. Jerry Truxel would likely

1 know what was passed or what information is received  
2 and passed onward.

3 Q. And would he also know how the Ameritech win  
4 back systems, and when I say that, I mean the  
5 software that generates win back letters to  
6 customers, would he know how that system, that win  
7 back system, would use the 836 line loss notice?

8 A. No, I don't believe that he would.

9 Q. And is there any witness today that would have  
10 that knowledge, that was here today?

11 A. I don't believe so.

12 Q. Now, as of June of 2000, did the Ameritech  
13 disconnect notice provided to Ameritech's retail  
14 operations, did that contain the name of the winning  
15 carrier?

16 A. No, it did not.

17 Q. Now, can you explain to me why it is that  
18 Ameritech retail operations, if they don't use the  
19 836 -- if they reportedly don't use the 836 line  
20 loss notification, why does Ameritech continue to  
21 send that notice to Ameritech retail?

22 A. Well, the system creates it, something has to

1 be done with it, it needs to be transmitted and  
2 stopped at some point. So the bifurcation was  
3 simply made to continue to send it, and then retail  
4 made the choice, of course, to not use it.

5 Information is contained within the data systems,  
6 you really need to be a distinction between win back  
7 employees and win back systems, that would be  
8 information flowing back into systems that employees  
9 would never really see.

10 Q. But as you sit here today, you don't know  
11 whether in fact the Ameritech retail operations are  
12 not using that information, correct?

13 A. Well, I've certainly been told that they are  
14 not. Now, am I responsible for that function? No.

15 Q. In roughly October of 2000, Ameritech began  
16 offering unbundled -- I'm sorry, unbundled network  
17 elements with the platform, including interim share  
18 transport; is that correct? Do you remember that?

19 A. That is correct, very much.

20 Q. And would you agree that Z-Tel was a  
21 competitive local exchange carrier at the time that  
22 began providing local exchange service in part

1       relying upon that platform offering?

2       A.     Yes.

3       Q.     Now, when Ameritech began making the 836 line  
4       loss notification to Z-Tel in roughly December of  
5       2000, do you know or do you recall how many other  
6       local exchange carriers at the time were -- other  
7       than Ameritech's retail operations were receiving  
8       836 line loss notifications in Illinois?

9       A.     No, I don't have that number. The process is  
10      not unique to certain customers, so it should have  
11      been several.

12      Q.     And at the time had there been other carriers  
13      that had notified Ameritech or complained to  
14      Ameritech that the 836 line loss notification was in  
15      some way inaccurate or untimely provided?

16      A.     If there were, it wasn't coming to my  
17      attention.

18      Q.     And who would they have made those complaints  
19      to or provided that information?

20      A.     Well, it could have been several different  
21      avenues. The primary avenue should have been their  
22      account manager. It could have also come directly

1       their to OSS customer support manager. It could  
2       also have been referred into the local service  
3       center.

4       Q.     And if a complaint was registered to or made to  
5       an OSS customer service representative, what would  
6       have been the process that that customer service  
7       representative would have followed to respond to the  
8       complaints that 836 line loss notice was not provide  
9       accurately or timely?

10      A.     Well, generally they note the information and  
11      the nature of the complaint or reported trouble and  
12      they begin investigating the data file. Usually  
13      starting with the exchange of data, and then backing  
14      in to the data content itself to try to understand  
15      what was or was not in the files.

16      Q.     And at what point in time would an OSS service  
17      representative escalate the problem and notify you  
18      that a carrier or a wholesale customer like Z-Tel,  
19      for example, was having problems with line loss  
20      notifications?

21      A.     It could vary. If a problem is of long  
22      duration, or -- that would be one time that they

1       would escalate, generally. It could also escalate  
2       if they are just having extreme difficulty getting  
3       cooperation internal, or if they having technical  
4       difficulty understanding or figuring out what is  
5       wrong.

6       Q.     When was the first time you became aware that  
7       there was a defect or problem in the 836 line loss  
8       notification process?

9       A.     Early in 2001, and actually related to Z-Tel.  
10      So I became aware of that there were certain issues  
11      around file transfer and the ability of Ameritech to  
12      get the information to Z-Tel, and Z-Tel to  
13      effectively receive it. They had become aware of  
14      some profile issue, profile table issues, things  
15      that we had to resolve to make sure we had an  
16      effective file transfer.

17      Q.     And how did you become aware of that issue or  
18      the problems? And you said early of 2001?

19      A.     Yeah, my employees in my organization made me  
20      aware of it. I actually did not have to get  
21      involved in that one to resolve it. But because it  
22      went on a little longer than any of them would have



1       wanted, they made sure that I knew of it.

2       Q.     So was it in January of 2001, or was it more  
3       like the spring of 2001 that you became aware of  
4       that?

5       A.     It's hard to recall, and it would have been in  
6       that period.  It's difficult for me to say at this  
7       point that that was January, or February, or March,  
8       but I would it was in that area.

9       Q.     Now, if you become aware that there is a  
10      problem in the transmission of the 836 line loss or  
11      any other OSS function or system that is not working  
12      correctly, would you say it would be your  
13      responsibility, together with your employees, I  
14      don't mean your personal responsibility, but sort of  
15      your ultimate responsibility to investigate the  
16      defects and problems with the OSS systems, and put  
17      in place the process to have those system defects  
18      changed or corrected?

19      A.     Yes, that is what I do.  That is what I'm  
20      responsible for.

21      Q.     And at what point in time do you -- strike  
22      that.

1           What set of factors are in place -- strike  
2           that.

3           What sort of factors do you generally use to  
4           determine whether the system problems are inherent  
5           in the software design, or whether they are inherent  
6           in, say, perhaps just employees at Ameritech or the  
7           CLEC not entering data correctly?

8           A.    An analysis of the problem itself generally  
9           tells us that.  Usually when we receive something of  
10          that nature from the customer we will ask them to  
11          cooperative and provide us examples.  And it's from  
12          those example that we actually start to trace  
13          information and determine where the failure points  
14          are.

15          It can be either one of those items that you  
16          described.  It be manual touch points and human  
17          beings doing things incorrectly or it could be  
18          system processing.  So depending on the nature  
19          dictates the direction we go to attempt to resolve  
20          it.

21          Q.    What was the first time that you understood  
22          that an 836 line loss notification had a defect in

1 the software design?

2 A. Late in 2001. Now, let's qualify that because  
3 -- let's qualify defect.

4 Q. Let's backup a second, I'm sorry. Since you  
5 have been with -- subsequent to the merger between  
6 SBC and Ameritech, have you learned that there are  
7 software design defects in software systems that  
8 create 836 line loss notifications, yes or no?

9 A. Yes. I'm aware that we have altered the  
10 software to accommodate some things where it was not  
11 performing as we thought it should be designed.

12 Q. Okay. We will get to the things that you've  
13 done to change it, but let's establish the principle  
14 first of all. You had been aware that there were  
15 defects in the software over time that caused 836  
16 line loss notifications to not be accurately  
17 delivered to CLEC's?

18 A. That's correct.

19 Q. And when was the first time that you learned  
20 that there was in fact a defect in the software  
21 design? I think you said the fall of 2001.

22 A. Yeah, late fall of 2001.

1 Q. And was that -- did that come to your attention  
2 because of some problems that Ameritech had in  
3 processing 836 line loss notices to WorldCom?

4 A. That was one avenue, yes.

5 Q. What was the other avenue?

6 A. Information from my customer support managers  
7 related to Z-Tel, as well as information coming to  
8 us from testing with another CLEC.

9 Q. What was the other CLEC?

10 A. AT&T.

11 Q. And that was in the fall of 2001?

12 A. Yes.

13 Q. Now, let's backup a second because I think you  
14 indicated earlier that you had become aware of some  
15 problems in providing 836 line loss notices to Z-Tel  
16 in the first part of 2001?

17 A. Correct.

18 Q. And what were the problems that you became  
19 aware of in early 2001 related to line loss  
20 notification to either Z-Tel or any other CLEC?

21 A. It had to do with profile issue, profile table  
22 use and the setup of how we exchanged files.

1 Q. Can you describe the profile issue that you  
2 became aware of. And for all of us here that don't  
3 do OSS stuff, describe what a profile table is.

4 A. A profile table really tells the system, based  
5 on information that we gather from customers using  
6 forms, exactly what version of software they want to  
7 use to exchange information between them and  
8 Ameritech. Tells us where they want notifications  
9 sent and in what manner. Do they want them faxed or  
10 do they want them electronic. And, to a degree,  
11 what types of services they are ordering. Basically  
12 things in their interconnection agreement, but also  
13 derive to profile tables to tell the system them  
14 what to do in certain circumstances.

15 Q. So when a carrier like Z-Tel has information  
16 entered into Ameritech's OSS systems that are sort  
17 of the defaults of how Ameritech and Z-Tel will  
18 exchange information; is that fair? That's really a  
19 gross overstatement I guess.

20 A. I don't want to use the word default. It  
21 describes how we would exchange that information  
22 under certain scenarios with Z-Tel, that's correct.

1       The reasons I don't want to use the word default is  
2       because if you don't have a profile you do have  
3       defaults built into the table.

4       Q.     So, for example, Z-Tel will tell Ameritech send  
5       final order commitment notices to us by fax to this  
6       fax number?

7       A.     Something similar to that.

8       Q.     That's one example.  Another one would be send  
9       final order commitment notices to us via a version  
10      of software through an EDI interface, Issue 7 versus  
11      ALSOG 4?

12      A.     Yes, those would be other setups.

13      Q.     And you became aware that there was a profile  
14      issue or problem with Z-Tel in the early part of  
15      2000?

16      A.     Right.

17      Q.     I just want to make sure all of us are on the  
18      same page, this is I a very complicated issue and I  
19      want to make sure I'm on the same page as you are.  
20      What was the problem?  What did you understand that  
21      problem to be?

22      A.     That there was a miscommunication about how the

1       profile table should be set up. And since we worked  
2       through that jointly then we are successful in  
3       exchanging information.

4       Q.     Were there any other problems that you became  
5       aware of in Z-Tel receiving accurate or timely line  
6       loss notifications prior to the fall of 2001?

7       A.     Yes. A second set of issues that I really  
8       became aware of had to do with the content of the  
9       files being exchanged.

10      Q.     What do you mean by that?

11      A.     Simply to from Z-Tel's perspective the files  
12      were empty.

13      Q.     Let me backup a second. For the profiling  
14      issue did you ultimately find out what the problem  
15      was or what the fix was?

16      A.     I think it was miscommunication on both sides  
17      as to how it worked, that was my understanding. I  
18      don't dismiss that Ameritech may have had some fault  
19      in that.

20      Q.     Did Ameritech enter a fax number, on Z-Tel's  
21      profile, to have line lost notices faxed to Z-Tel's  
22      Atmore facility; that what you understood what

1       happened?

2       A.     That was part of it, yes.  However you have to  
3       back all the way up to profile document to  
4       understand how that is written and how that could  
5       have been interpreted.  It's really an all or  
6       nothing type entry.  So you can say that Z-Tel took  
7       the information-- or Ameritech took the information  
8       that Z-Tel provided and literally placed it in the  
9       table.  I can also fault us for maybe not  
10      understanding or second guessing what might have  
11      been the intent based on the profile.

12      Q.     Did Ameritech enter information incorrectly  
13      into the profile?

14             MR. BUTTS: Can I interrupt?  Are we talking  
15      about the first problem that he was talking about in  
16      the first part of the year?

17             MR. KELLY: We are back to the first problem,  
18      the early 2001 problem.

19      BY MR. KELLY:

20      Q.     Did Ameritech enter wrong information into the  
21      profile or did Z-Tel given inaccurate information to  
22      Ameritech?



1       A.     Ameritech entered what the profile called for.  
2       Now as I say that, understand that we've revamped the  
3       profile process, so I don't want to sit here and  
4       fault Z-Tel for filling out a profile and get into  
5       an argument as to whether the profile was filled out  
6       correctly or incorrectly. Some of those processes  
7       and forms are confused.

8       Q.     So what really happened was    Z-Tel told  
9       Ameritech, send faxes to this fax number and they  
10      gave you a fax number. And Ameritech changed the  
11      profile so that 836 notices were also faxed, rather  
12      than send through an EDI incident advice?

13      A.     Because that responsibility of the profile was  
14      an all or nothing entry.

15      Q.     You couldn't break it apart?

16      A.     You really couldn't.

17      Q.     Z-Tel doesn't design Ameritech's profile forms,  
18      do they?

19      A.     No, they don't.

20      Q.     Ameritech designs that for them?

21      A.     That's correct.

22      Q.     So to the extent that there was an all or

1       nothing scenario in entering that option for Z-Tel,  
2       that was Ameritech's design?

3       A.     That's correct.

4       Q.     And ultimately how did Ameritech fix that  
5       issue?

6       A.     By altering the table, to my knowledge, to  
7       segregate the firm order.

8       Q.     So that loss notice communications could be  
9       sent through the EDI interface and furthermore, the  
10      commitments could be sent via fax?

11      A.     That's my knowledge, yeah.

12      Q.     Once you found out that that was the potential  
13      fix, it was easy to do?

14      A.     I don't think it was difficult to do. It was  
15      more of an understanding what was required to be  
16      done.

17      Q.     Didn't have to do any software changes, did  
18      you?

19      A.     They are constantly tinkering with the  
20      software.

21      Q.     But you didn't have to do any design, software  
22      design changes, correct?

1 A. To my knowledge, no.

2 Q. When was the next time that you became aware --  
3 strike that.

4 Is that the first issue or problem that you  
5 became aware of related to Ameritech's delivery 836  
6 line loss notice?

7 A. The first one related to Z-Tel.

8 Q. Was there one prior to that sometime related to  
9 any other CLEC?

10 A. I don't think so. I was working with at least  
11 one other customer and aware of some circumstances  
12 through that period of time. But as far as piecing  
13 together the timing, I don't think I'm able to do  
14 that.

15 Q. Putting aside the timing, what was the problem  
16 that you found?

17 A. Again profiling setup and file exchange.

18 Q. Similar to the Z-Tel issue?

19 A. No, at that point we definitely weren't dealing  
20 with EDI and just the conductivity issues around  
21 exchanging files and electric data interchange.

22 Q. That effected the delivery of the 836 line loss

1 notice to that CLEC?

2 A. Yes.

3 Q. Did Ameritech retail operations ever contact  
4 Ameritech wholesale and say, hey, we are having a  
5 problem receiving 836 line loss notices?

6 A. Not that I'm aware of.

7 Q. And I mean any time prior to today, just to put  
8 a date on it?

9 A. Not that I'm aware of, no.

10 Q. Does Ameritech have a profile for Ameritech  
11 retail operations?

12 A. To my knowledge, yes. Just knowing the way the  
13 system works there should be a profile there that  
14 connects them somewhere. I haven't gone to look or  
15 examined and seen and profile, but the system  
16 require one.

17 Q. Do you know whether the 836 line loss notice  
18 that Ameritech retail receives whether it's  
19 delivered through an EDI interface or through fax?

20 A. It's delivered through an EDI interface. It's  
21 actually delivered to a value-added network provider  
22 and then scooped from that provider and delivered to

1 the retail system.

2 Q. And the value-added network provider is a third  
3 party?

4 A. Is a third. In this case General Electric  
5 Information Systems.

6 Q. You heard Mr. Reith's testimony earlier when he  
7 described Accenture as being a party that receives  
8 the 836 line loss notice. Are GTE and Accenture  
9 competitors in that third party interface field?

10 A. Actually, no.

11 Q. Do they do the same things for different  
12 companies?

13 A. No. But to establish conductivity, there are  
14 several third parties and intermediaries that can  
15 come into play and between Ameritech and Z-Tel there  
16 are at least three other parties between Ameritech  
17 and Z-Tel.

18 Q. Between Ameritech wholesale division and Z-Tel?

19 A. Yeah, and Z-Tel.

20 Q. Who would that be?

21 A. As we send things out the door, it goes to or  
22 can go, and in Z-Tel's case does go to what is known

1 as value-added network. That is, in fact, a data  
2 exchange provider that can exchange e-mail traffic,  
3 data files, lots of information. We simply provide  
4 it to GEIS, also known as GXS, depending on where  
5 you are.

6 And then that data is made available for pick  
7 up by the other party, which could be a CLEC  
8 directly or could be a hand off to another  
9 intermediary. In Z-Tel's case it's a hand off to  
10 another intermediary. AT&T Advantas, who is another  
11 value-added network that we were requesting to make  
12 arrangements with, and who has also made  
13 arrangements with GEIS.

14 We pass information to GEIS, AT&T Advantas  
15 picks it up from GEIS. And then there is a fourth  
16 component that is Accenture Launch Now. And  
17 Accenture Launch Now is a software platform. They  
18 have a large CLEC business, to my understanding.  
19 Ameritech and all of SBC recognizes Accenture Launch  
20 Now has what we know as a service bureau provider  
21 being they are an aggregator off CLEC traffic and  
22 send multiple CLEC transactions to us by one

1 pipeline, if you will.

2 And we have a formal arrangement with Accenture  
3 Launch Now that safe guards to conductivity  
4 arrangements. So in order for us to have a  
5 transaction all the way through, it goes from SBC  
6 Ameritech to GEIS to, in Z-Tel's case, AT&T  
7 Advantas, and then it's picked up by Accenture  
8 Launch Now, and ultimately distributed to users of  
9 Z-Tel.

10 Q. Maybe I can ask my clients this, but what is  
11 the purpose of GEIS or GES? Why doesn't Ameritech  
12 just establish a two wire loop to Z-Tel's location  
13 and just send the traffic?

14 A. Cost. We have multiple ways, one is exactly  
15 that loop, that direct connected circuit between a  
16 CLEC and Ameritech, and we support that arrangement.

17 We also support, this is March of 2001  
18 graphical user interfaces where there is no  
19 connection necessary. But if you are doing EDI  
20 transactions, you could direct connect with  
21 Ameritech. Or if you don't want to pay that monthly  
22 fixed cost, you can make an arrangement with a

1 value-added network. SBC has chosen one and we have  
2 an arrangement with that one.

3 Q. And GEIS is the sender, sort of your partner  
4 Ameritech's partner?

5 A. Yes. And so we have those conductivity  
6 arrangements already set up. A CLEC using that  
7 method of conductivity can choose to just go  
8 directly to GEIS. Some customers have chosen not to  
9 do that, but would prefer or maybe already have an  
10 arrangement with another value-added network, and  
11 they simply make arrangements and tell us t hat they  
12 want do this and we communicate with GEIS to use  
13 that second value-added network as a hand off point.

14 Q. In Z-Tel's situation, you have described it as  
15 AT&T Advantas?

16 A. Yes. And I honestly don't know if that was a  
17 choice of Z-Tel or the choice of Accenture Launch  
18 Now.

19 Q. And Accenture Launch Now is a software?

20 A. Software developer, a provider of software to  
21 CLEC's as well as they operate what SBC terms to be  
22 a service bureau provider arrangement. Meaning they



1       aggregate CLEC transactions and communicate them to  
2       us so they are establishing in effect that  
3       communications gateway and the electronic data  
4       interchange platform.

5       Q.     Now, Ameritech retail operations, when you send  
6       Ameritech retail, currently, an 836 line loss  
7       notice, do they -- does that notice go through GEIS?

8       A.     Yes, it does.

9       Q.     And when you send Ameritech retail operations a  
10      disconnect notice, does that, which contains line  
11      loss notification, does that go through GEIS?

12      A.     No, it does not.

13      Q.     That goes directly from Ameritech's OSS  
14      systems?

15      A.     Correct, because the service order processor is  
16      one processor for the company, or a group of  
17      processors, but they commonly process both wholesale  
18      and retail traffic. It's what we term to be the  
19      back end process.

20      Q.     If I'm a CLEC and I want to access directly  
21      through GEIS, is there a fee for that?

22      A.     A fee to get to Ameritech?

1 Q. To connect with GEIS and receive files through  
2 the GEIS interface?

3 A. My understanding is there is generally a fee.

4 Q. Charged by GEIS?

5 A. Yes. But generally that is a cheaper  
6 arrangement than direct connection, a direct pipe,  
7 which is why we make it available, and why a lot of  
8 CLEC's choose to use it.

9 Q. GEIS aggregates that connection?

10 A. Well, the charging is generally of the nature  
11 of how long it takes you to transmit the file. And  
12 so you are only charged for that time that you are  
13 actually seizing data versus having to maintain a  
14 permanent connection.

15 Q. Does Ameritech charge -- does Ameritech  
16 wholesale or OSS systems charge Ameritech's retail  
17 operations for that direct connection?

18 A. To my knowledge, no.

19 Q. And just so my question is clear, when  
20 Ameritech provides the disconnect notice, not the  
21 836, but the disconnect notice, there is no charge  
22 for that connection?

1 A. To my knowledge, no, there is not.

2 Q. And you may have answered my question already,  
3 but when Ameritech sends the 836 line loss  
4 notification to Ameritech retail, does Ameritech  
5 retail get that through GEIS?

6 A. They can get it through GEIS whether they have  
7 to pay for a bill for that I really don't know.

8 Q. That is an arrangement between Ameritech retail  
9 and GEIS?

10 A. Yes.

11 Q. Is there a component of your agreement with  
12 GEIS that requires GEIS to provide interconnectivity  
13 to receive 836 line loss notification or any other  
14 notice through GEIS for no fee, do you know?

15 A. I don't know.

16 Q. Anyone here that you are aware of that might  
17 know that information of the four witnesses that the  
18 Company has brought?

19 A. No, I'm not aware of anybody that understands  
20 the fee structure of that arrangement.

21 Q. Okay, let's backup a little bit, then. We  
22 talked about the table profiling issue with Z-Tel.

1 And you had indicated that there might have been  
2 another carrier, can't recall exactly when, when  
3 there may have been a similar situation. Other than  
4 that, and that was about, I think you said, first  
5 part of 2001.

6 After that, when was the next time you became  
7 aware of any issue or problem with a carrier  
8 receiving 836 line loss notification?

9 A. That would have been the issue in the early  
10 summer with Z-Tel, and the content of the file.

11 Q. I'm sorry, I was distracted for a second.

12 A. That would have been in the early summer with  
13 Z-Tel when I became aware of the discrepancies over  
14 the content of the file.

15 Q. And were there two problems with the content of  
16 the file? One problem being that there was no  
17 content, and another problem being there was  
18 inconsistent content or inaccurate data?

19 A. No. The problem I was aware of was no content,  
20 in other words empty files.

21 Q. And when did you become aware of that? Do you  
22 remember the month?

1       A.     Likely June.

2       Q.     And was Z-Tel the first company or CLEC that  
3       advised you that there was a problem with that?

4       A.     Yes.

5       Q.     And the other carrier at that time become  
6       aware, did you become aware that any other carrier  
7       also had the same problem?

8       A.     No.    The other carrier that I do have a  
9       recollection of, it's a remote one, I'll tell you,  
10      was really in a test environment we were setting up  
11      to exchange data, we can conductivity.    Conductivity  
12      simply meaning the ability to exchange data with one  
13      another, both orders and notifications.    But those  
14      issues were really resolved it was an all or nothing  
15      situation.    You couldn't get it there or you got  
16      everything.

17      Q.     Let's put that one aside.    Other than Z-Tel,  
18      when you became aware that Z-Tel had an empty data  
19      file problem, any other CLEC let you know that that  
20      was a problem?

21      A.     No.

22      Q.     And do you recall what month that was?

1       A.    Again, I'm pretty sure it was June, in the June  
2       time frame.

3       Q.    June 2001?

4       A.    June 2001.

5       Q.    What did you do, or who was it that made you  
6       aware of that problem?

7       A.    My customer support organization.  I don't  
8       really recall whether it was Mike Cippio himself or  
9       Steve Houston.  It could have been either, Steve is  
10      Mike's supervisor reports directly to me.

11      Q.    Mike Cippio at the time was the OSS customer  
12      service rep for Z-Tel?

13      A.    Yes.  And we were making some transition at  
14      that time so Mike had been Z-Tel's direct  
15      representative, and we were doing some  
16      reorganizations and actually placing Mike in more of  
17      a supervisory role.

18      Q.    And did Mike Cippio advise you and others in  
19      Ameritech that this was a complaint that Z-Tel had,  
20      that they were receiving empty or line loss files  
21      without data?

22      A.    Yes, they did.

1 Q. And what was Ameritech's response?

2 A. Our response was to try and dig into it to try  
3 and figure out what was wrong. It was a fairly  
4 gnarly issue, from my recollection, and took us a  
5 while to work through. It's one of those issues  
6 where we were seeing things that were leaving, yet  
7 on the other end they aren't getting there. And we  
8 took that as a very serious issue, very serious  
9 problem. But it did take a bit to understand what  
10 the issues were.

11 Q. And did you ultimately find out what was  
12 causing that problem?

13 A. We believe we did.

14 Q. And what was that?

15 A. That there was some changes that needed to be  
16 made by Launch Now that actually transmitted the  
17 data correctly.

18 Q. When you say there needed to be some changes  
19 made by Launch Now, what do you mean?

20 A. In other words, we traced our flow of  
21 information out the door from Ameritech, through the  
22 value-added networks, and that took a bit of doing

1       for all the parties to understand and be able to  
2       agree that certain things were being communicated at  
3       certain times. But the data simply was not  
4       aggregated in certain instances and passed on.

5             In addition, there were, on days when Ameritech  
6       actually communicated no data, other instances when  
7       Launch Now would trigger a report that would look  
8       empty, when in reality probably a report should not  
9       have been triggered.

10       Q.     So there were instances at the time when  
11       Ameritech was sending files with no data?

12       A.     No. There would have been days when we simply  
13       sent no file.

14       Q.     There would have been days when you sent no  
15       file?

16       A.     Right.

17       Q.     And why was that a problem? What was causing  
18       Ameritech to not send a file?

19       A.     We didn't perceive it as a file. If there were  
20       no losses, there would be no file.

21       Q.     Certainly. But if there were losses and there  
22       was no file -- strike that.



1           If there were line losses by Z-Tel, during the  
2           time that we're talking, when there was no line loss  
3           file sent to Z-Tel?

4           A.    At that point in time we weren't viewing it as  
5           that sort of a problem. We weren't aware that there  
6           were certain circumstances where a loss notifier  
7           might should have been created but was not.

8           Q.    So there were circumstances when that was  
9           happening?

10          A.    Likely there were. We were not aware at that  
11          point in time that that might have been happening,  
12          and we were not hearing from any other customer that  
13          it was happening.

14          Q.    But you investigated Z-Tel's complaints and you  
15          traced it down to in part being caused by some data  
16          fielding errors or issues at Launch Now, which is  
17          the Accenture software program?

18          A.    That's my understanding, yes.

19          Q.    But at the time -- subsequent to then, you have  
20          since learned that there were also issues in the OSS  
21          systems software design that was causing 836 line  
22          loss notices to not be sent when there should have

1       been an 836 line loss notification to be delivered;  
2       is that correct?

3       A.     That's correct. I'll broaden it a little bit,  
4       however. There were some instances where the  
5       systems were failing to send -- create them and send  
6       them as they should. There were also other  
7       instances that we uncovered at points of human  
8       invention processes were not being followed or in  
9       some cases processes would not achieve all of the  
10      loss notification being created.

11      Q.     Let's talk about the human intervention, and  
12      then we'll come back to the systems problems. When  
13      you are talking about human intervention problems,  
14      are you talking about Ameritech employees not coding  
15      accurately or properly data about a customer?

16      A.     Not entering data properly. The system that  
17      the wholesale representatives use to trigger and  
18      actually cause the systems to create a loss  
19      notification for win back --

20      Q.     When you are talking about wholesalers, you are  
21      talking about your employees?

22      A.     Not, not directly. They are in the

1 organization that I am in.

2 Q. Ameritech employees?

3 A. They are Ameritech employees dedicated to  
4 wholesale. The system requires that they receive  
5 ordering information from Ameritech retail when a  
6 win back has occurred, and that information must be  
7 manually keyed into the systems on time.

8 Q. Why is that?

9 A. Simply the system design.

10 Q. So when Ameritech wins a customer, Ameritech  
11 retail sends a fax to the wholesale employees?

12 A. That's correct.

13 Q. At the local service center. And those  
14 employees then enter information about that customer  
15 line. Is that accurate?

16 A. That's accurate.

17 Q. And you have since learned that there were  
18 occasions when those customer service  
19 representatives at the local service center were not  
20 accurately entering data?

21 A. Not accurately entering it or not entering it  
22 in time enough for the system to process it

1       correctly.

2       Q.     And that was causing delays in creating line  
3       loss notification to Z-Tel?

4       A.     Yeah.  It was actually causing in those cases  
5       where the name was missed or late, no loss  
6       notification being created by the system.  We've  
7       since recreated a number of those missing loss  
8       notifiers.  But if you just let the system alone as  
9       it was, it simply would not have produced them.

10      Q.     When you say you have since created or  
11      reentered the data to send a line loss notification,  
12      was there a time period that you did that?

13      A.     Yes.  We did a number of those in the latter  
14      part of 2001.

15      Q.     Roughly December of 2001?

16      A.     December.  And we did more of them in late  
17      January or early February, through the middle of  
18      February of 2002.

19      Q.     When you sent those files, those would have  
20      been line loss notice to Z-Tel for customers that  
21      had left their -- Z-Tel's service as far back as the  
22      summer of 2001?

1 A. In some cases that's correct.

2 Q. When a customer -- a customer service  
3 representative keys data at the local service center  
4 for an Ameritech win back customer leaving Z-Tel,  
5 for example, what sort of data entry errors will  
6 cause problems in the delivery of the 836 line loss  
7 notice?

8 A. They can duplicate the order number. They can  
9 mistype the order number.

10 Q. Anything else?

11 A. They enter the due date, but the due date is  
12 not really used in the process, so it really doesn't  
13 have much impact one way or the other. The order  
14 number is the real key.

15 Q. And if an order number is not accurately  
16 entered, that will cause a failure in the delivery  
17 of the 836 line loss notice?

18 A. It will. It will cause a loss notice not to be  
19 created, yes.

20 Q. Now, you also indicated -- well, strike that.

21 When did you find out that there were these  
22 human intervention events that were causing a

1 failure of line loss notification to be delivered?

2 A. October and November of 2001.

3 Q. Now, Z-Tel had originally complained that 836  
4 line loss notifications were not being accurately  
5 sent as far back as December 2000. Is that your  
6 recollection?

7 A. Well, I don't have a personal knowledge of  
8 that. I saw some of those and some of that in the  
9 records as a result of the case.

10 Q. Okay. From the period of December 2001 -- I'm  
11 sorry, December 2000, through October, November  
12 2001, did Ameritech conduct any studies of its  
13 customer service representatives at the local  
14 service center to determine whether they were  
15 accurately entering data on Ameritech's win back  
16 orders for customers say, for example, that left  
17 Z-Tel?

18 A. Well, the customer service center, local  
19 service center has review processes that are in  
20 place for all service representatives, and they  
21 review a number of work operations. Whether they  
22 would have picked up any of these it's hard for me

1 to say. Obviously because of the errors that we did  
2 have, they obviously didn't pick up what I would  
3 have hoped they would pick up.

4 Q. Well, did Ameritech conduct any studies in  
5 particular to determine whether order numbers were  
6 duplicated or mistyped?

7 A. Starting in that October/November time frame we  
8 did, yes.

9 Q. But not prior to that time?

10 A. I'm sure the process was reviewed. If errors  
11 were noted, the magnitude of the problem was not  
12 understood.

13 Q. And because you didn't do any studies to  
14 determine whether the customer service  
15 representatives were accurately entering information  
16 that was necessary to create line loss notification;  
17 is that correct?

18 A. To my knowledge, we didn't conduct any studies  
19 unique to loss line loss notification.

20 Q. Now, you indicated also that there were other  
21 systems -- you indicated that there were two  
22 problems, one was human intervention, we just

1 covered that. There was a second system problem  
2 that was causing some line loss notification after  
3 June or July of 2001.

4 A. Correct.

5 Q. What was that problem?

6 A. Well, Z-Tel had been telling us through the  
7 latter part of 2001 that they were receiving  
8 incorrect order numbers on their loss notifications,  
9 order numbers they didn't understand why they were  
10 receiving.

11 SBC's initial reaction to that was that it  
12 probably was an error on the way the system was  
13 populating the order. And in reality that did turn  
14 out to be the case. I think there was also some  
15 misunderstanding on the part of some of the  
16 Ameritech employees about whether those loss  
17 notifiers associated with certain order types were  
18 valid or invalid.

19 Q. What do you mean by that?

20 A. In reality they were all valid, regardless of  
21 the order number that appeared on the loss notifier.

22 Q. Can you describe what you mean by that?



1       A.     Sure.   The order number that appears on the  
2       loss notifier is really to be the internal work  
3       order, service order if you will, that Ameritech  
4       creates or the outward activity. For some reason in  
5       Issue 7 version of the software, that was felt to be  
6       important information or information that should be  
7       communicated.   So there is a field for it.

8             The reality of the way a migration order works  
9       is it can be several orders to achieve the  
10      migration.   One would be a D order is a disconnect.

11     Q.     And that would be an order to disconnect the  
12      Z-Tel line or service to that customer if this is an  
13      Ameritech win back customer?

14     A.     If this is an Ameritech win back, yes.   And  
15      then an N word order or an N in the order to put the  
16      service back in for Ameritech.

17     Q.     So there would be two processes required to  
18      disconnect Z-Tel and establish win back where  
19      Ameritech is the provider?

20     A.     Correct.

21     Q.     First you -- the lost local service center  
22      representatives do the disconnect process, enter the

1 data necessary to do a disconnect, and then they do  
2 a second process to establish a new service or an N  
3 order for Ameritech providing service to the  
4 customer?

5 A. Yes. I'll qualify a bit. Not every case, it  
6 varies by scenario, but that is a good generic  
7 scenario. So you have these multiple work orders  
8 and they are related in the systems, they are cross  
9 referenced, if you will.

10 Q. Do they get the same order number?

11 A. No, they do not get the same order number. But  
12 the order numbers are cross referenced by the  
13 system. And depending on the sequence that they are  
14 actually completed by the systems, it was possible,  
15 until we made a change, for the wrong order number  
16 to be picked up and placed on a loss notification.

17 Q. Which order number was -- which order number  
18 should have been put on the loss notification?

19 A. It should have been the disconnect order or the  
20 order without word activity.

21 Q. And what order number was put on the 836 line  
22 loss notification?

1       A.     In some cases it would have been the N word  
2       order or another order we know of as a segment  
3       change order, which has to do with CLEC to CLEC  
4       migrations moving from resale to UNE-P or UNE-P to  
5       resale.

6       Q.     We talked earlier on about scenarios that would  
7       create a line loss notification. One scenario was a  
8       customer leaving Ameritech -- leaving Z-Tel, going  
9       back to Ameritech, that was one scenario. In that  
10      situation, would there be two orders required, one  
11      to disconnect, and one to establish new service with  
12      Ameritech?

13     A.     Generally, yes.

14     Q.     And you identified -- Ameritech discovered a  
15     problem that that in that scenario, Z-Tel was not  
16     getting D orders or the disconnect notice, but was  
17     getting an order indicating a new line would be  
18     installed?

19     A.     Yeah. What Z-Tel was actually getting was the  
20     telephone number that was lost. And then in the  
21     field where we were supposed to provide the order  
22     number, we were providing, in some cases, the N word

1 activity order or the segment change order.

2 Q. And that would be indicated not on -- one of  
3 the exhibits, I think, that Mr. Reith had attached  
4 to his rebuttal testimony, has a format of a line  
5 loss notification. And if the customer is leaving  
6 Z-Tel there should be a D in that line loss  
7 notification, correct?

8 A. In certain cases it could be a C, but in most  
9 cases with Z-Tel it would be a D.

10 Q. And Ameritech was instead providing N in that  
11 field?

12 A. N or S.

13 Q. And N would be a new order?

14 A. A new order, an N word activity order. Again,  
15 the line was lost, the telephone number was truly  
16 the correct phone number, the order number led to  
17 confusion.

18 Q. And if it was an S, what does the S stand for?

19 A. It's a segment change order, for instance in a  
20 CLEC to CLEC migration, the customer was  
21 transitioning from UNE-P to resale with the new  
22 provider we would issue, the service center,

1 something that is known as a segment order. Segment  
2 is simply defining the segments of the industry.

3 Q. And what would a C indicate?

4 A. Change activity, which that can have outward  
5 activity on it.

6 Q. When you say outward, you mean the customer,  
7 that line, that telephone number, is leaving the  
8 carrier?

9 A. Yes.

10 Q. Disconnecting?

11 A. Yes. Especially in a retail to retail scenario  
12 it's generally a change order, a C order. Even  
13 though it's accomplishing the same thing of moving  
14 that line from one CLEC to another.

15 Q. So Ameritech identified that in the summer or  
16 fall that the line loss notification was not putting  
17 D orders in, but also -- having wrong order numbers;  
18 is that accurate?

19 A. Correct, late summer, early fall we became  
20 aware of that.

21 Q. And you say that that was a system problem?

22 A. Yes, it was.

1 Q. It was a software designed defect in  
2 Ameritech's OSS systems?

3 A. Yes, that is the way we corrected it. I t had  
4 to do with sequencing.

5 Q. I'm sorry?

6 A. It had to do with sequencing. The way systems  
7 received information, certain sequences.

8 Q. And when you have a software designed defect,  
9 what is the process that Ameritech, your division,  
10 goes through to cure or correct that defect?

11 A. Working from a customer report of a failure, we  
12 look inside the system. Once we have identified  
13 that truly there is some something that is not  
14 operating correctly, then we will go back to the  
15 system design information to determine whether or  
16 not the system was actually supposed to be  
17 performing in the given manner.

18 If it's not supposed to be performing in the  
19 manner that we're seeing, then we create a defect  
20 report and we will attempt to work that defect  
21 report, the correction of it into a maintenance  
22 release, which we do periodically. If it is,

1       however, operating as a design, then we take another  
2       route and we create what is known as a change  
3       request where we actually go in and telling the  
4       information technology to enhance the system in some  
5       way. We will generally try and put those into  
6       scheduled published releases.

7               There have been certain circumstances where if  
8       we are not changing the way a customer would provide  
9       us information or receive information, we might work  
10      it outside of normal cycle.

11      Q.     And was this defect assigned a defect number in  
12      Ameritech's --

13      A.     We have a tracking system.

14      Q.     Was it assigned a defect number?

15      A.     Yes, it was.

16      Q.     Was it assigned a defect number or a change  
17      request?

18      A.     This was assigned a defect number.

19      Q.     And when did you assign a defect number for  
20      this problem?

21      A.     I'm not certain when we exactly assigned it.

22      It would have either been likely December but I'm

1       guessing a bit here.

2       Q.     And would Mr. Doyle or Mr. Caton or  
3       Mr. Truxel know the date that that was assigned as a  
4       defect number?

5       A.     Mr. Doyle might know.  If I could dig a little  
6       deeper in my testimony, I might even know.

7       Q.     But when do you think it was?

8       A.     I'm thinking it's December.

9             MR. BUTTS: Do you want to take time and look?

10          THE WITNESS:  I can look if you want me to.

11       BY MR. KELLY:

12       Q.     Why don't you look.  If you can find it, also I  
13       would be interested in knowing what the defect  
14       number was in your tracking system.

15       A.     I'm sorry, I could get you that information,  
16       but without doing a lot of digging through perhaps  
17       some of the discovery I don't have it identified.  I  
18       know we put it in on February the 9th, that's when  
19       we put in the software change.  I don't have the  
20       number that was associated with it nor when it was  
21       actually opened, but I could certainly get you that  
22       information.



1 Q. Would that be identified as an IP number?

2 A. It could be, we switched the number system very  
3 recently as we were trying to move toward uniform  
4 systems across all of our 13 states. So we now  
5 refer to them as defect reports, DR's.

6 Prior to that within Ameritech we used a system  
7 that assigned IP numbers for identifying problems,  
8 so it had two different prefixes, slightly different  
9 number sequence, same type of events trigger those.

10 Q. So if we have documents that identify IP  
11 numbers, that would be -- that could be one of the  
12 issues that would relate?

13 A. I thought this one had an IP number because of  
14 the timing of it.

15 Q. Now, you indicated that an IP, if it's an IP or  
16 it's a defect, you've identified it as outside or  
17 not within the design of the original system?

18 A. Correct.

19 Q. So this problem that you've described was a  
20 software defect, the software that was supposed to  
21 be creating the 836 line loss notice wasn't working  
22 as designed?

1       A.     Should have been sequencing things more  
2       effectively, yes.

3       Q.     Now, that defect, you created an IP number, or  
4       a defect correction request in December of 2001?

5       A.     Yes.   Again, I'm estimating, but I believe  
6       that's about the time frame.

7       Q.     Maybe we can go through it later on and try to  
8       identify a date.   And when did that defect actually  
9       get fixed in the software?

10      A.     That would have been February 9th, 2002.

11      Q.     Do you know whether any of the witnesses that  
12      you brought here today, Mr. Caton or Mr. Doyle or  
13      Mr. Truxel were involved in the actual correcting  
14      the software, not writing the reports on it or not  
15      writing the paper on it, but actually designing the  
16      correction?

17      A.     I don't know that any of them here actually  
18      wrote the software code for the correction.   Ron  
19      Caton and Tom Doyle were both aware of the need for  
20      this change.   Tom Doyle may have actually written  
21      one level of the requirements that created the code  
22      fix.

1       Q.    Now, you described the process that if you have  
2       a defect in the software, you try to have the fixes  
3       fixed or the corrections in place in the next  
4       scheduled software release?

5       A.    For enhancements, yes.

6       Q.    What about for defects, what is the process,  
7       the timing process for the defects?

8       A.    We do defects and maintenance releases, which  
9       can vary in frequency.  We generally have one a  
10      month, there have been months where we have had them  
11      more often.  There have been months that we have not  
12      had one at all.  So it's not a process that has a  
13      lot of consistency in it, it really is a function of  
14      workload and volumes of the defects.

15      Q.    Were you aware of this -- with respect to this  
16      particular defect that it was -- I think you  
17      indicated that it was creating N orders or assigning  
18      N order numbers to telephone numbers where the  
19      customer was actually leaving Z-Tel, but not putting  
20      it down as a disconnect, but instead putting it down  
21      as an N?

22      A.    Right.  I really regret that we didn't more

1       effectively understand and communicate that.  There  
2       is a number of folks that I can fault for that.

3       Q.     But I think Z-Tel regrets that a little bit,  
4       too.

5       A.     In effect, the phone number was there, the  
6       phone number was being lost.  The column could have  
7       been ignored, and really we should have told Z-Tel  
8       early on if we better understood just ignore the  
9       column.  In the future software versions, the  
10      column's not even there.

11      Q.     Isn't it true that some of these N orders were  
12      in fact Z-Tel customer that were still Z-Tel  
13      customers?

14      A.     If they were, that was coming from a different  
15      set of issues, not from the incorrect order number.

16      Q.     So if they had ignored the N, they still would  
17      not have been -- they still would not have -- they  
18      still would have been receiving inaccurate loss line  
19      notifications because of another problem?

20      A.     Yeah, I think we've been pretty open that there  
21      were some other problems that were perhaps sending  
22      information when we perhaps should not be.

1       Q.     So if they just ignored the N, that still would  
2       not have allowed them to receive line loss  
3       notification in an accurate way; is that true?

4       A.     True, but also it would have given them some  
5       line loss notices they might have chosen to ignore.

6       Q.     Do you know whether launch now or the GEIS  
7       systems or the AT&T Advantas systems process the  
8       data in reliance on the D designation for disconnect  
9       order?

10      A.     No, they would have just passed the order  
11      through. It just appears in a field, they would  
12      have passed it through.

13      Q.     So they don't touch the data?

14      A.     No.

15      Q.     They don't reprocess the data?

16      A.     Not supposed to. Obviously we had some issues  
17      at some point with what Accenture did with some of  
18      the data. And that was again either an all or none  
19      scenario, so I would assume that once you get it all  
20      there it's in the right spot.

21      Q.     To the best of your knowledge, Launch Now or  
22      AT&T Advantas or GEIS don't -- all they do is

1 reformat the data, they don't manipulate or change  
2 data?

3 A. They should not be. Everyone should understand  
4 what the format of the data is.

5 Q. Do they just send and reformat, move columns  
6 around, things of that nature?

7 A. I don't know whether they do that or not do  
8 that. They should pass in some manner every piece  
9 of data that we pass to them, unless there has been  
10 some arrangement between Z-Tel or some other CLEC  
11 and Launch Now to strip certain pieces of data.

12 Q. Now just on that point, the line loss  
13 notification, the 836 line loss notification that  
14 Z-Tel receives, does not contain the name of the  
15 winning carrier?

16 A. It contains the field where that information  
17 could have been populated, and it contains the fixed  
18 value, or at least the ones I reviewed, contained  
19 the fixed value that we populated.

20 Q. What is that fixed value?

21 A. ZXX.

22 Q. So after Ameritech identified the defect with

1       respect to the order numbers, which was fixed in  
2       February 9th of 2002, were there other problems that  
3       Ameritech identified in the 836 line loss  
4       notification process?

5       A.    Yes, it was about that same time that we  
6       realized how significant the manual input errors  
7       were in the local service center, and actually  
8       started at that time the beginning of the cross  
9       functional teams that had analyzed the integrity of  
10      the data.

11            So we noticed the deficiencies in that process,  
12      information flow from win back, and we identified  
13      some issues with the segment change process, and  
14      with the way that partial migration was handled.  
15      Partial migration is simply where one CLEC may be  
16      taking only some of the lines from either Ameritech  
17      retail or another CLEC.

18      Q.    And we talked about that as one of the  
19      scenarios early on in your testimony, right?

20      A.    Yes.

21      Q.    And Ameritech has identified that in those  
22      partial migrations where a customer might switch one

1       or two lines off of Z-Tel to another carrier, for  
2       example, that there were defects in the software  
3       systems used to -- or that generated the 836 line  
4       loss notification?

5       A.     There was a defect and then there was an  
6       enhancement. So again we were into the area of  
7       IP/DR's versus CR's.

8       Q.     Did Ameritech create an IP tracking number for  
9       that defect?

10      A.     Yes, we did.

11      Q.     Did Ameritech create separately a change  
12      request for that defect or for that problem?

13      A.     For a different portion of that problem, yes.

14      Q.     So there were actually two components  
15      of -- two solutions for that problem that had to be  
16      implemented?

17      A.     If I could refer to my Schedule D on Page 2,  
18      No. 3, CLEC to CLEC activity. I discuss the partial  
19      migration scenarios in 3B and 3C.

20      Q.     What was the number of the change request that  
21      was created to address that problem?

22      A.     I again don't have that information with me.



1       If that seems to be relevant, I can get it and  
2       provide it. They all have associated numbers, but  
3       in most of that external documents I didn't use  
4       that.

5       Q.    I've got some document that may show that.  
6       Let's finish this part and then we'll show you the  
7       documents and see if you can identify. Because I  
8       think from Z-Tel's perspective the number of the  
9       change request, the IP number, the dates that they  
10      were solved is important. And so I would rather get  
11      the documents if they have that information.

12            So the change request for that partial  
13      migration, you are not sure of. What was the IP for  
14      that, do you know?

15      A.    That, I don't know. I don't have any of those  
16      serial number pieces of information with me.

17      Q.    When did Ameritech first learn that there was a  
18      partial migration problem in the software?

19      A.    Again, in the November/December time frame when  
20      the cross functional teams had started analyzing the  
21      loss notification output.

22      Q.    And when did Ameritech first identify a change

1 request? Or when did you first request a change  
2 request that would allow an enhancement to be  
3 developed for that software?

4 A. Late February.

5 Q. Of 2002?

6 A. 2002.

7 Q. Now that's for one component?

8 Q. Was that after Z-Tel filed its complaint?

9 A. I honestly don't know.

10 Q. What about the IP tracking number which is used  
11 to correct defects in software systems, when did you  
12 request a defect correction for that problem?

13 A. Again, with the information that I've got here  
14 in front of me, I'm not going to be able to tell  
15 you. There were several charts, probably in  
16 discovery, that would have that information.

17 Q. Would that also have been late February 2002?

18 A. It could have been early February, could have  
19 been late January.

20 Q. Is the change request, and we'll see if we can  
21 find the number, has that been implemented?

22 A. No.

1 Q. How about the IP fix, to correct the defect,  
2 has that been implemented yet as we sit here today?

3 A. Yes, I believe it has.

4 Q. Do you know that what -- when did that get  
5 corrected?

6 A. February 2nd, 2002. In addition we put in a  
7 process change that impacted a piece of this, and we  
8 did that on March the 8th, I believe.

9 Q. I'm sorry, what was the date March?

10 A. I believe it was March 8th. Let me look here  
11 to make sure. Going from memory it's March 8th.

12 MR. KELLY: Your Honor, may I approach the  
13 witness?

14 JUDGE HAYNES: Yes.

15 BY MR. KELLY:

16 Q. Mr. Sirles, let me show you what I'll identify  
17 for the record as Z-Tel Cross Exhibit No. 1, and  
18 just state for the record this is Ameritech's  
19 response to Z-Tel's Data Request No. 6.

20 Now, we have talked about this latest migration  
21 issue that was discovered October/November of 2001.  
22 And I asked you whether you knew what the change

1 request was that was implemented for that. Does  
2 this refresh your recollection or provide  
3 information that would help you in answering that  
4 question?

5 A. This does to a degree. The change request  
6 that's still outstanding is what's referred to on  
7 Page 2 of 2 of this list, it's 020998. This list in  
8 its matrix is actually a document that is used  
9 internally to my organization to monitor change  
10 requests. It's part of a process that we use for  
11 planning releases.

12 I believe what's produced here is an extraction  
13 in response to a data request for items related to  
14 loss notification, it's coming out of the database.

15 Q. And these are the change requests that as of  
16 the time of production of this request were  
17 outstanding?

18 A. Correct. Not all outstanding.

19 Q. I'm sorry, that had been ordered related to  
20 line loss notification?

21 A. Right.

22 Q. But where on here does it indicate the IP

1       number for the defects?

2       A.     These are all change requests, so there would  
3       be no IP's or DR's on this list. This would all be  
4       enhancements.

5       Q.     So when staff of the Commission asked you to  
6       produce documentation for current program versions,  
7       and each prior version dating back to January 1999  
8       including, but not limited to, reports of problems  
9       and change order requests, you submitted information  
10      related only to change order requests, not IP's or  
11      defects or --

12      A.     Well, there were a number of --

13      Q.     Process changes?

14      A.     There were a number of document requests. We  
15      tried to be as responsive as we could possibly be in  
16      the amount of time that we had. If we put  
17      information together with another one, I apologize  
18      for that. Again, we tried to provide all that we  
19      could come up with.

20           MR. BUTTS: Is what you're looking for, Hank, an  
21      association of a specific CR or DR or IP with  
22      respect to each of the categories of issues that's

1 listed on Schedule 5 -- or schedule --

2 MR. KELLY: Well, I wasn't limiting my -- I  
3 guess part of the answer would be yes. And another  
4 part would be are there any other that have been --  
5 I don't mean to imply anything, but just not on  
6 Exhibit No. 5, it might be other things that we can  
7 talk about today that would refresh your  
8 recollection.

9 MR. BUTTS: I take it you have a fair amount  
10 more cross for this witness?

11 MR. KELLY: Yes.

12 MR. BUTTS: Could I suggest maybe we take a 10  
13 minute break, we've been going for about two hours.  
14 And then maybe we can talk with people and see what  
15 we have that might be responsive to that.

16 JUDGE HAYNES: Sure, off the record for 10  
17 minutes.

18 (Whereupon, there was  
19 a short break taken.)

20 JUDGE HAYNES: We've had a discussion off the  
21 record about a late filed exhibit, and would either  
22 of you like to explain that?

1           MR. BUTTS: It's my understanding that what  
2           Mr. Kelly is looking for is an identification of  
3           each of the issues related to line loss that has  
4           been identified as a problem, when it was  
5           identified, what action has been taken with respect  
6           to that issue in terms of whether a CR, a DR or an  
7           IP is created. Or whether it was handled as a  
8           methods and procedures issue and none of those were  
9           created. And the current status of that issue, and  
10          whether it was -- if it was resolved, when it was  
11          resolved, if it's still pending, is there a proposed  
12          completion date.

13                 That was information that we can glean from the  
14          documents that are -- that Mr. Sirles' and his task  
15          force is creating, but it doesn't currently exist in  
16          that format or consolidate it. So we will undertake  
17          to prepare that exhibit or provide it to Z-Tel and  
18          then it can be submitted as a late filed exhibit.  
19          And we have indicated that we will attempt to get  
20          that to them by Wednesday so it will be submitted.

21                 JUDGE HAYNES: Is this going to be an Ameritech  
22          late filed exhibit?

1           MR. BUTTS: We can do it as a joint exhibit or  
2 we can do it as our exhibit or your exhibit.

3           MR. KELLY: I would rather it be your exhibit.  
4 Since I haven't seen it yet I don't want to buy into  
5 it hook, line and sinker just yet.

6           MR. BUTTS: We don't care, we'll do it. We will  
7 call it Sirles Schedule F, and we will provide it to  
8 Z-Tel by Wednesday, sometime during the day.

9           MR. KELLY: Okay.

10          JUDGE HAYNES: Okay, thank you.

11          BY MR. KELLY:

12          Q.    Mr. Sirles, let me ask you a couple questions  
13 about what I understand some of that data to  
14 provide. That will identify problems that Ameritech  
15 has identified in delivering line loss notification  
16 to Z-Tel and other carriers, correct or is that --  
17 will that include problems that Ameritech identified  
18 prior to October 2001?

19          A.    Most of the data that I have starts -- starts  
20 in October 2001. If there are certain things that I  
21 can find, I will include them. I don't think on my  
22 original Schedule D there is really much that goes



1       beyond, back beyond that, beyond October.

2       Q.     Other than what we talked about earlier on the  
3       tabling issue for Z-Tel, the possible N and D order  
4       issue or N numbers or identifications were being  
5       sent, and that was sometime in the fall of 2001?

6       A.     Right.

7       Q.     And the human intervention problems that you  
8       identified where customer service representatives in  
9       the local service center would be entering data  
10      inaccurately. Other than those three issue, are  
11      there any other defects or problems that Ameritech  
12      had identified prior to the time that will be  
13      encompassed by your exhibit?

14      A.     Not that I'm aware of. And when we prepare it,  
15      we will go back and double-check, and if there is  
16      anything, we will include it but nothing comes to  
17      mind.

18      Q.     Okay, I appreciate it. And you will identify  
19      in that exhibit whether those problems or issues are  
20      still outstanding?

21      A.     Yes.

22      Q.     Now, we talked also about the line loss

1 notification or, I'm sorry, the disconnect notice  
2 that Ameritech retail receives when one of its  
3 customers migrate to an alternative carrier.

4 A. Right.

5 Q. How many defect changes have been put in place  
6 since January 2001 for that process? And when I say  
7 defect, I mean the technical term that you referred  
8 to before, the IP number.

9 A. I really don't have knowledge of that. I'm  
10 sorry, I don't know whether there have been any or  
11 not.

12 Q. Okay. So do you know whether there have been  
13 any, no?

14 A. No.

15 Q. How many change requests has Ameritech put in  
16 place to modify the software systems to deliver that  
17 disconnect notice to Ameritech's retail operations  
18 since January 2001?

19 A. That -- since January 2001?

20 Q. Yes.

21 A. That, I don't know. I'm only aware of the  
22 change requests that created the process.

1 Q. For the 836 line loss notification?

2 A. No, for modifications to the disconnect report.  
3 And that was in the June 2000 time frame.

4 Q. Okay.

5 A. If there have been subsequent changes to that,  
6 I'm not aware of them. But then I would not  
7 ordinarily be aware of them, either.

8 Q. Would Mr. Doyle or Mr. Caton or Mr. Truxel be  
9 aware of those, whether there were any subsequent to  
10 June of 2000?

11 A. Mr. Truxel might be aware.

12 Q. Okay. But as you sit here today you are not  
13 aware whether there were any change requests put in  
14 place to provide disconnect notice to Ameritech's  
15 retail operations since January 2001?

16 A. No, that's correct.

17 Q. What about process changes? Has Ameritech put  
18 in place any process changes to deliver disconnect  
19 notice to Ameritech's retail operations when one of  
20 its customers migrates to an alternative carrier,  
21 since January 2001?

22 A. Not that I'm aware of, but then again that

1 information flow would not necessarily come through  
2 me.

3 Q. What about methods and procedures? Have there  
4 been any methods and procedures changes to give line  
5 disconnect notice to Ameritech's retail operations  
6 since January 2001?

7 A. That, I don't know. Nothing has surfaced to me  
8 to indicate we need to change anything on the  
9 wholesale side to derive the information any  
10 differently.

11 MR. KELLY: Your Honor, may I approach the  
12 witness?

13 JUDGE HAYNES: Yes.

14 BY MR. KELLY:

15 Q. Mr. Sirles, let me show you what I would ask  
16 the court reporter to mark as Z-Tel Cross Exhibit  
17 No. 2. And this is a document that was produced in  
18 response to discovery. And I would like to talk to  
19 you about, before we get to the document, I would  
20 like to talk to you about the -- you call it the  
21 human intervention problems that were causing some  
22 of the line loss notification failures in delivery

1 to Z-Tel. Okay?

2 A. Um-hmm.

3 Q. Now, you had indicated that when a local  
4 service center representative is processing typing  
5 in data of a customer that migrates from Z-Tel to  
6 Ameritech on a win back situation, that you learned  
7 that there were problems in the way that they were  
8 processing those orders?

9 A. Yes.

10 Q. And one of the problems is that when those  
11 orders would get processed, you discovered that  
12 often times, or some quantifiable number, Z-Tel did  
13 not get an accurate line loss notice, correct?

14 A. Correct.

15 Q. During those occasions, did the customer  
16 actually get connected to Ameritech?

17 A. I would expect that they would have.

18 Q. If -- let's say for example, a customer calls  
19 up -- a Z-Tel customer calls Ameritech on January  
20 1st -- a Z-Tel customer calls Ameritech on August  
21 1st, 2001, and asks to take advantage of the win  
22 back offer that Ameritech -- that that customer

1       received and switched their service back to  
2       Ameritech, assuming that there was a human  
3       intervention problem at the local service center,  
4       that caused a line loss notice to not be delivered  
5       to Z-Tel until August 31st, 2001, if that customer  
6       wanted to be switched to Ameritech on August 2nd,  
7       would that happen?

8       A.     Likely it would have happened, yes.

9       Q.     So the customer service center representative  
10      would enter the data necessary to transition that  
11      customer, migrate that customer to Ameritech on  
12      August 2nd, 2001, right?

13     A.     Under your scenario, yes.

14     Q.     And under this scenario where there was an  
15     error in the processing, and Z-Tel did not get line  
16     loss notification until August 31st, there was a  
17     delay in delivering the line loss notification,  
18     correct?

19     A.     Under that scenario, correct.

20     Q.     Isn't it true that because of an increase in  
21     Ameritech's win back marketing efforts, and the  
22     resulting errors in -- at the local service center,

1       that Ameritech's win back marketing efforts  
2       exacerbated the line loss notification problems to  
3       where human intervention was the problem?

4       A.    I don't know that that's true.  I haven't seen  
5       any of the trends of win back activity.

6       Q.    Let me show you what's been marked as Z-Tel  
7       Cross Exhibit No. 2, and direct your attention to  
8       the bottom where it says, win back's met a manual  
9       process, and it says delays due the manual process  
10      many times cause the order to be in 3C status when  
11      the SR tries to input into MORTel.  If we cannot  
12      input the order into MORTel the 836 will not be  
13      generated.  Do you see that?

14      A.    Yes.

15      Q.    Now, let's talk a little bit, let's breakdown  
16      some of the acronyms just for the record.  3C, what  
17      does that mean?

18      A.    Completed.

19      Q.    So the new install for Ameritech is completed?

20      A.    In this case it would be the disconnect side of  
21      that, not necessarily the new install.

22      Q.    So when it says 3C status, the documents can

1 sometimes refer to as a completed status for the  
2 disconnect order, or completed status for the new  
3 install order like the provisioning of the Ameritech  
4 line?

5 A. Let me read this, just a second. It should be  
6 the disconnect order, that's the way the process  
7 works.

8 Q. Well, if I were to say to you that the 3C  
9 status is the status where the new install is  
10 completed, does that refresh your recollection of  
11 what 3C stands for?

12 A. Well, 3C is a completion status, but that  
13 status gets populated on any order, disconnect or  
14 inward.

15 Q. Okay.

16 A. That is complete.

17 Q. Do you know when Ameritech began promoteing its  
18 win back offers to customers that migrated to an  
19 alternative carrier, residential win back offers?

20 A. No. I mean, we've had some kind of win back  
21 program off and on for some considerable period of  
22 time.



1 Q. And do you know -- have you done studies to  
2 identify that if there is an increase in customers  
3 that accept win back offers, that that creates, at  
4 least back in August of 2000, roughly August of  
5 2001, that that created additional failures or  
6 greater than normal failures in the delivery of the  
7 line loss notification?

8 A. Well, while it may have done that, there were  
9 issues within this process where even if there had  
10 been very few orders, they still would not have  
11 gotten to the service center in time to correctly  
12 input them. This had to do with due date assignment  
13 and the fact that within the way the process  
14 operates it is virtually impossible to get the  
15 information over to the service center to input it  
16 into MORTel, whether there had been a handful or  
17 whether there had been thousands.

18 Q. But you described before, I think, that one of  
19 the problems with the human intervention that  
20 created the line loss, the failure of the line loss  
21 delivery on a timely basis, was that the customer  
22 service representatives weren't entering data in a

1       timely manner, and therefore that was causing late  
2       line loss notification to be sent to Z-Tel.

3       A.     That's correct. And to extend the due dates so  
4       that when the information got there we had  
5       sufficient time to work it if we had started working  
6       it the minute it got there. The other issue was  
7       simply to try and make sure that the  
8       representatives -- enough representatives were  
9       focused on this task to get the work done in the  
10      required amount of time.

11      Q.     The second part?

12      A.     The second part.

13      Q.     I would like to go to some of the flow charts  
14      that you had in your testimony, and produced in  
15      discovery, and see if I can better understand, maybe  
16      on a more technical basis the process by which 836  
17      loss notifications are created and delivered, versus  
18      the line disconnection notice, the way that those  
19      are created and delivered to Ameritech's retail  
20      operation.

21             Now, you attached to your testimony a copy of  
22      Schedule C which contains flow charts of the order

1 flows. Now, in Schedule C-1, this is a flow chart  
2 of how the orders proceed where Ameritech retail  
3 submits an order to win back a customer from Z-Tel,  
4 for example, and then Z-Tel gets an 836 line loss  
5 notification; is that true?

6 A. That's correct.

7 Q. And let's just -- in C-1 you have a pre April  
8 24th date, this was a process prior to April 24th.  
9 What happens on April 24th?

10 A. April 24th we are implementing several software  
11 changes that mechanize the win back process so that  
12 there is no manual intervention required in order to  
13 trigger the line loss. We removed the steps of  
14 service reps of retail having to create the spread  
15 sheets that they fax over on a daily basis and we  
16 eliminate the process of the wholesale  
17 representative having to receive those and key any  
18 information into the MORTel system.

19 Q. So then just to go back, currently in order to  
20 create an 836 line loss notification where Ameritech  
21 is the winning carrier, the Ameritech retail  
22 operation creates an order, faxes it to the local

1 service center, and those customer service  
2 representatives manually enter the data to provision  
3 the line to Ameritech, and then that once it gets  
4 completed, ultimately generates an 836?

5 A. With one correction, they don't fax the order,  
6 they fax information about the order. They have a  
7 spreadsheet and they select the order number, the  
8 telephone number, the due date, and fax that  
9 information to the local service center. That  
10 information is keyed into the MORTel system.

11 Q. We will get to the MORTel system in a second.  
12 That fax contains which data fields?

13 A. It contains the telephone numbers involved, the  
14 order number of the disconnect, and the due date.

15 Q. How does the Ameritech retail person get an  
16 order number, for the order?

17 A. The order number is automatically assigned when  
18 they create the service order. The Ameritech  
19 service order negotiations system will assist them  
20 with that process and assign an order number.

21 Q. The Ameritech service order negotiations  
22 system, is that the same system that a CLEC would

1       use to order a new line for themselves or for one of  
2       their customers?

3       A.    No, it's not.  We made an offer to make that  
4       available and nobody ever took us up on it.

5       Q.    How does the Ameritech retail operation access,  
6       for example, the services that are currently  
7       provided to a customer through the service order  
8       negotiations system?

9       A.    We have the segregated group that actually keys  
10      these orders in in retail, separate and apart from  
11      the people that are in the marketing efforts and  
12      closing the sale.  We segregated them because they  
13      would need access to the CLEC account in order to be  
14      able to access the CLEC account, and then using the  
15      system, which will prepopulate a lot of information,  
16      create the service orders necessary to accomplish  
17      the change.

18      Q.    So they create a service order necessary to  
19      populate the change, get an order number from that,  
20      and then that order number along with the telephone  
21      number and the due date is faxed to the wholesale  
22      local service center?

1       A.     Right.  And in some cases, the winning CLEC is  
2       indicated on that as well.  But understand that's  
3       coming from the segregated group, the group that  
4       actually did the marketing, did the sale, did not  
5       have that knowledge.

6       Q.     That segment has access to information about  
7       the services and the features that the customer is  
8       purchasing from Z-Tel under that scenario?

9       A.     Under that scenario.

10      Q.     I just want to, they have access to the  
11      services that that customer is purchasing from  
12      Z-Tel?

13      A.     Yes.  They have no information about how they  
14      may be packaged.  They have information about the  
15      services that Ameritech is providing to Z-Tel.

16      Q.     So they get the order number, fax it to the  
17      local service center, and what does the local  
18      service center representative then do?

19      A.     They take the information off a spreadsheet,  
20      primarily the telephone number, the order number,  
21      the due date and then enter that into a screen that  
22      is view believe to them by the system.

1       Q.     Does -- when they enter the order number, does  
2       that screen then populate the fields of what  
3       services are being provided, and other things  
4       necessary in order to provision the line?

5       A.     No.    This part of the system is the way the  
6       logic is built to trigger a line loss.   It needs  
7       information to associate the orders with the  
8       disconnect, and the only way presently it gets that  
9       information is by these key entries.   That's just  
10      the way the process was designed.

11      Q.     So the retail division faxes the 12 number  
12      order number and due date to the local service  
13      center solely for the purpose of creating a line  
14      loss notification?

15      A.     That's correct.

16      Q.     What about to order the line, provision the  
17      line?

18      A.     No, that's all done on the retail side.

19      Q.     Well, to order the line on the retail side,  
20      what does the retail -- what data base does the  
21      retail division or unit have to access in order to  
22      provision a line?

1       A.     They will create the service order in ASON, the  
2       Ameritech service order negotiation system.

3       Q.     Direct it?

4       A.     Yes, right.

5       Q.     And if Z-Tel needs to order a line, they send  
6       information either EDI interface to order a line,  
7       they communicate that line order to the local  
8       service center?

9       A.     That's correct.

10      Q.     Through EDI interface or Weblex?

11      A.     Yes. And then depending on the nature of the  
12      service order, either the system will automatically  
13      create the service orders again in ASON, or if the  
14      system is not capable of doing that, that is called  
15      our flow through process, then manual intervention  
16      steps are required by the wholesale representative  
17      to create the order in ASON.

18      Q.     So the Ameritech retail sends the telephone  
19      number, order number, and due date to the local  
20      service center and here on Schedule C-1 pre April  
21      24th, 24th -- I'm sorry, at stage 3W local service  
22      center manually enters all into MORTel. Do you see



1       that?

2       A.     Yes.

3       Q.     What is MORTel?

4       A.     MORTel is the service rep interface for the  
5       wholesale service representative.  It's called  
6       mechanized order receipt slash telemanagement.

7       Q.     Is MORTel a different database than MOR?

8       A.     MORTel is a component of MOR.  Any databases  
9       that exist in that system exist in MOR.  MORTel is  
10      more of an entry device, a facilitator for the  
11      service rep to use in managing their work and  
12      manipulating CLEC requests.

13      Q.     Now, for -- if Z-Tel acquires a line or has a  
14      customer migrate to Z-Tel, has an Ameritech customer  
15      migrate to Z-Tel, they contact the local service  
16      center, send in the ordering information and that  
17      ordering information is entered either manually or  
18      through the electronic interface into MOR?

19      A.     Or using MORTel if it's manual interface,  
20      that's really back in Schedule B.

21      Q.     Right, it goes into MOR or MORTel?

22      A.     Right.

1       Q.    Now, in your Schedule C-1 you have order  
2       process by retail to 3c status in ASON. I think you  
3       just indicated that MORTel, I'm looking at Schedule  
4       C-1 is on the wholesale side, but the retail  
5       operations separately order and directly order  
6       through ASON order to provision a line through ASON?

7       A.    That is correct. This chart is really showing  
8       the functions of both groups.

9       Q.    So it doesn't follow -- 4W doesn't really  
10      necessarily follow 3W. In your chart it does, in  
11      your chart, but in actuality it doesn't follow that  
12      way?

13      A.    No, this one is timed sequential, it's just not  
14      reflecting a hand off between groups. In other  
15      words, I haven't identified in this what group is  
16      doing what. In some of this case, machines are  
17      doing this.

18      Q.    But groups are important in our distinction  
19      here.

20      A.    I understand.

21      Q.    So 4W is done by the retail operations, 3W is  
22      done -- those functions are done by the local

1 service center?

2 A. Right. So you've got a series of retail in 2W  
3 creating these orders, passing that information over  
4 in 3W to the LSC so they can input that information  
5 before retail performs 4W.

6 Q. What processes are in place to insure that that  
7 happens?

8 A. Daily review of those logs and extensive  
9 management control. And if they fail, a safety net  
10 catch all report on the back end that tells me that  
11 they didn't do it right.

12 Q. So once the order is processed by retail to a  
13 completion status, to get a new line by ASON, ASON  
14 then sends a completion service order, completion  
15 notice to MOR?

16 A. Correct.

17 Q. And that's the process by which the ASON which  
18 is the provisioning database or the provisioning  
19 systems notifies MOR, the line is installed, it's  
20 now provisioned to Ameritech, that customer is now  
21 an Ameritech customer; is that accurate?

22 A. Yes, that's accurate. And again, it should be

1        sending information if there are multiple orders  
2        involved, and sending information on multiple  
3        orders, the process is triggering the disconnect  
4        order and that is a mechanical feed in 5W.

5        Q.     And then MOR sends the loss notification to  
6        Z-Tel?

7        A.     Correct.

8        Q.     Now, that's the situation that happens when  
9        AT&T -- I'm sorry, Ameritech submits their order to  
10       get a customer and Z-Tel then gets the 836 line loss  
11       notification, right?

12       A.     Correct.

13       Q.     What happens when Z-Tel -- an Ameritech  
14       customer migrates to Z-Tel, and an 836 loss  
15       notification is delivered to Ameritech?

16       A.     Correct.

17       Q.     What happens? Is that process reflected in  
18       your schedule B-1?

19       A.     Yes, it is. It's really -- you start at 13E,  
20       you have similar steps, whether this was taking a  
21       customer from Ameritech retail or whether it was  
22       CLEC the steps are similar. And from 13E to 16E,

1 the line loss is produced.

2 Q. Okay. And just to backup if I could, just  
3 really briefly explain -- understand the ASON  
4 database or the systems, describe that if you can.

5 A. ASON is a negotiation systems, it assists the  
6 service rep in developing a service order to  
7 provision service. It's used by -- it was developed  
8 for the retail, it was developed for Ameritech  
9 before there was wholesale. Yet it's also used to  
10 process wholesale orders. Telecom we just built on  
11 top of it because it's an independent system.

12 Q. If there is an order to provision a line in  
13 ASON, does that then get delivered to the field?

14 A. Yes, it does.

15 Q. People out at the switch?

16 A. The purpose of ASON is to assist in developing  
17 that service order, creating it and then  
18 distributing it downstream so that other departments  
19 have it. Now, it's not the sole distributor, the  
20 service order interface that sits behind it also  
21 distributes components of that service order to  
22 other departments that need it. Between the two of

1       them they move all the information downstream.

2       Q.     So when an Ameritech customer switches to  
3       Z-Tel, Z-Tel submits its order to the local service  
4       center, either fax or electronic or manually, that  
5       information then is entered into MOR, correct?

6       A.     Correct.

7       Q.     What does MOR then do with it, the data?

8       A.     MOR stores the data, so that it's retrievable  
9       until completion and then post completion it still  
10      stores it.

11      Q.     How does the order then get to ASON?

12      A.     MOR will move the order to ASON and through  
13      MORTel or through the flow through processes that  
14      are created, MOR -- the information that is received  
15      by MOR is used to create an ASON service order. And  
16      when those processes are complete, whether they are  
17      mechanical or whether they are manual steps, there  
18      is a live order in ASON that is moved down through  
19      the provisions systems.

20      Q.     At what point in time does Ameritech receive a  
21      line disconnection notice? Not the 836 loss line  
22      notice, but the line disconnection notice that we

1       talked about very early in your testimony?

2       A.     Well, the process starts when an ASON service  
3       order with outward activity, either a total  
4       disconnect or some outward actions, is statused,  
5       receives a 3C status, meaning it's complete. Some  
6       other system is notified, a provisioning system has  
7       notified ASON to place the order on 3C status.

8       Q.     And then what does ASON do? Does ASON then  
9       deliver a line disconnect notice to Ameritech  
10      retail?

11      A.     ASON delivers the information to the service  
12      order interface, and it does that on a daily basis.

13      Q.     Describe the service order interface, please,  
14      what is that?

15      A.     Service order interface is a system that that  
16      is used to accumulate pending and completed  
17      activity, and it's used to distribute certain  
18      information down to other departments that need it,  
19      such as 911, directory assistance, credit card  
20      system, things of that nature.

21      Q.     And the service order interface is the  
22      interface that delivers to Ameritech retail the line

1       disconnection notice?

2       A.     That's correct.  It's gathering all of the  
3       disconnect information and it delivers it daily.

4       Q.     Is the service order interface used to deliver  
5       836 line loss notification to either Ameritech or to  
6       Z-Tel when either one of those companies should be  
7       receiving a line loss notice?

8       A.     836's, no.

9       Q.     So Z-Tel does not have access in receiving 836  
10      line loss notification.  Z-Tel does not have access  
11      to information delivered from the service order  
12      interface?

13      A.     That's correct.

14      Q.     That's purely an in-house Ameritech retail  
15      interface; is that fair?

16      A.     Not exclusively retail, but it's internal to  
17      Ameritech.

18      Q.     Okay.  And just to finish the thought, Z-Tel  
19      couldn't, if they wanted to, say we want to hook up  
20      our systems to your service order interface to  
21      receive data, at least the way it's currently  
22      configured?



1 A. Currently configured, no.

2 Q. Now, once the line disconnect notice in our  
3 hypothetical here is delivered to the service order  
4 interface, how often does ASON deliver line  
5 disconnect information to the service order  
6 interface?

7 A. Once a day.

8 Q. At what time? Is there a particular time of  
9 the day?

10 A. I'm pretty sure it's nightly. Most of that I  
11 covered in Schedule A.

12 Q. That's your answer to Interrogatory 5?

13 A. Yes, sir, it is.

14 Q. Okay, now at the bottom of your Schedule A  
15 which is answer to Interrogatory 5, if a line  
16 disconnection notice is delivered to the service  
17 order interface Monday evening, say 5:00 p.m., what  
18 happens next in the process of having the Ameritech  
19 retail operations actually use that line  
20 disconnection notice for a win back marketing?

21 A. It's transitioned to the SOR system once a day.

22 Q. And what is SOR?

1       A.     SOR is --

2       Q.     And just for the record it's SOR, right?

3       A.     It's SOR, right.

4       Q.     Service order request?

5       A.     Nope.   Repository.   And it has a function to  
6       receive certain completed service order information,  
7       and store it and manipulate it for a couple of  
8       applications, one being the win back.

9       Q.     What does it do that is necessary for the win  
10      back efforts, what does SOR?

11      A.     SOR starts the process of sorting the  
12      disconnect information by disconnect reason, the  
13      disconnect reason is something that is placed on  
14      every service order, either mechanically or by a  
15      service representative as the reason for the  
16      disconnect.

17      Q.     And does SOR indicate that the reason for the  
18      disconnect is that -- is there any -- strike that.  
19      Is there any data field within SOR that identifies  
20      one of the reasons that the disconnect was generated  
21      is because of the customer had migrated to an  
22      alternative carrier?

1       A.     There is information contained in the  
2       disconnect reasons that would indicate that.  What  
3       SOR does is to process the win back information is  
4       go through and sort out all of the known retail  
5       reasons, and exclude those from anything it moves  
6       further down street into the win back system.

7       Q.     So SOR has information in it that tells -- that  
8       identifies that the reason that this customer  
9       disconnected is because they migrated to an  
10      alternative carrier?

11      A.     Yes.

12      Q.     And backing upstream a little bit, the service  
13      order interface, is there information delivered or  
14      held in the service order interface data file that  
15      would indicate the reason that the customer migrated  
16      off of Ameritech?

17      A.     That same field is going to start in ASON,  
18      that's where the disconnect reason is placed, and  
19      it's going to go down with every image copy of the  
20      service order.

21      Q.     If you could take a look at your Schedule 5,  
22      please.  And there you indicate there is a DRC a

1       disconnect reason code?

2       A.     Yes.

3       Q.     You say that that field is populated within  
4       ASON?

5       A.     Correct.

6       Q.     In the prior page, I guess I'm actually on the  
7       first page, it says exclude from the order selected  
8       any orders not having a disconnect reason code DCR  
9       FID, as well as those containing the following  
10      codes. Which code indicates that the reason for the  
11      disconnect is because the customer migrated to an  
12      alternative local exchange carrier?

13      A.     None of those actually. This is again a  
14      safeguard in the process as it was intended to be  
15      built. SOR is actually looking at all of the  
16      disconnect orders. And if it finds one with no  
17      disconnect reason which that's possible, or if it  
18      finds any of these disconnect reasons which are  
19      really the common retail reasons, it excludes them  
20      and does not furnish them to the retail system. So  
21      it's making it sort of a counter assumption, and  
22      saying that I'm going to exclude all of these

1       because I think these are retail. And anything else  
2       I'm going to pass as a competitive loss.

3       Q.     What does WB stand for? Does it stand for win  
4       back?

5       A.     No, it doesn't, actually, and I'm sorry, I  
6       don't have that at my fingertips. If you give me a  
7       minute I can get you that information.

8       Q.     I would be interested in knowing what WC stands  
9       for also.

10      A.     Well, I thought I could answer it from this,  
11      but evidently I can't. I don't know what WB and WC  
12      stand for. I can get it for you.

13      Q.     Do you know what AL stands for?

14      A.     AL is -- this document was scanned and the  
15      software really didn't do it justice.

16             MR. BUTTS: Off the record for a minute.

17                     (Whereupon, there was an  
18                     off-the-record discussion.)

19             THE WITNESS: Okay, let me see if I can answer  
20      the question. From what we've got here, which is  
21      what we furnished in the supplemental data request,  
22      WB would be a code for win back, WC would be win

1 back from CPO or UNE-P. AL would be a full line win  
2 back request.

3 BY MR. KELLY:

4 Q. AL is what?

5 A. Full line win back request. I'm guessing a  
6 little bit at this, as I said this document was  
7 scanned and the software didn't translate every word  
8 correctly. It actually says alteration full  
9 t-a-n-e, w-i-n-h-a-e-k request. Now, I'm going to  
10 tell you I think that means full line win back  
11 request.

12 Q. I don't know if I saw that document. Can I  
13 take a look at that?

14 MR. BUTTS: It's the one we gave you this  
15 morning.

16 THE WITNESS: So again what the program is  
17 doing is it's attempting to remove retail  
18 information so that it doesn't flow on down to the  
19 win back organization. Eliminating win back  
20 disconnects would seem to be appropriate.

21 BY MR. KELLY:

22 Q. So ASON has a field that describes when a

1 customer is disconnected because they have migrated  
2 to an alternative carrier?

3 A. It does have a field that signifies when the  
4 customer -- yes, migrated to an alternate carrier.

5 Q. And that goes on the line disconnection notice  
6 that is sent to SOI, service order interface?

7 A. Correct.

8 Q. Is that same information on an 836 line loss  
9 notice that is delivered to Ameritech? Ameritech  
10 retail operations.

11 A. No, but then you have to make the assumption  
12 that that's the purpose of an 836, it adds logic to  
13 determine when a competitive loss occurs.

14 Q. I'm just trying to get an idea of what happens  
15 in ASON, there is two different generated reports.  
16 One has information or data field that this customer  
17 has migrated to an alternative carrier, and that  
18 data field gets populated and then delivered by ASON  
19 to the service order interface. ASON also then  
20 creates separately information for use by the 836  
21 line loss notification and that goes from ASON back  
22 to MOR?

1       A.     Actually not the MOR process today.  MOR is not  
2       using disconnect reasons, it's using associated  
3       service orders.  That's the reason the rep has to  
4       key the order numbers in because it's looking for  
5       those to determine a loss has occurred.

6       Q.     So ASON doesn't generate line loss notification  
7       for purpose of creating an 836 line loss  
8       notification?

9       A.     Not at all.

10      Q.     And when a customer is disconnected from  
11      Ameritech, ASON creates a report, sends it to the  
12      service order interface and as part of the data  
13      field, one of the data fields, might contain WB or  
14      WC or AL or AM?

15      A.     Yes.

16      Q.     And what is the distinction between WB and WC?

17      A.     I assume resale and UNE-P.  WC was intended to  
18      be the CPO.

19      Q.     WB is the CPO?  No WC is CPO.  So when a  
20      customer migrates to a UNE-P provider, the reason  
21      for disconnect would be fielded with a code of WC?

22      A.     Well, actually see this is the reverse, this is



1 a win back from CPO. This is the code that would be  
2 placed on the wholesale disconnect, disconnecting,  
3 for instance, the service for Z-Tel.

4 Q. So this goes on the 836 line loss notification?

5 A. No, it goes on the ASON service order.

6 Q. I got you, it goes on the ASON service order  
7 that is created to disconnect Z-Tel?

8 A. Yes.

9 Q. As the carrier?

10 A. Yes.

11 Q. And then stops. ASON then doesn't deliver that  
12 report in any way to a process that would ultimately  
13 result in a disconnect order to Z-Tel?

14 A. That's correct.

15 Q. If ASON generates or does a disconnect for a  
16 Z-Tel customer because Ameritech won that customer  
17 back, what does ASON do with that disconnect notice,  
18 if anything? And let me ask you first, just so I  
19 understand, if it's an Ameritech disconnect, ASON  
20 will deliver the disconnect information to the  
21 service order interface?

22 A. Correct.

1 Q. If it's a Z-Tel disconnect, ASON will deliver  
2 that information to -- not to the service order  
3 interface?

4 A. It still delivers it to the service order  
5 interface, it's still transferred to the SOR, the  
6 repository. The repository will not move it further  
7 down into the win back system because it's going to  
8 exclude it based on these disconnect reasons. It's  
9 going to say we've already won this customer back,  
10 there is nothing further for us to do here.

11 Q. Okay. If it's an Ameritech disconnected line,  
12 it goes from the service order interface to SOR, the  
13 repository, and what field -- what would be the code  
14 that would then cause that data to be sent to the  
15 win back system?

16 A. It's any code that is not in this list, so it's  
17 an exclusionary process. If it's anything but this,  
18 move it downstream. And then there are other codes  
19 that are not in this set that is distributed here or  
20 listed here.

21 MR. KELLY: Could we take a break here, just  
22 real briefly and go off the record for a second?

1 JUDGE HAYNES: Sure.

2 (Whereupon, there was

3 a short break taken.)

4 BY MR. KELLY:

5 Q. Now, you described in Interrogatory 5 or your  
6 Schedule A the process by which Ameritech identifies  
7 for its retail operations when an Ameritech customer  
8 switches to an alternative local exchange carrier.  
9 And we talked that -- you described how the line  
10 disconnection process gets generated by ASON. When  
11 you said before that this was -- this process  
12 started in roughly June of 1997, is this the process  
13 that started in June of 1997?

14 A. I don't know about June. I know that it was  
15 going on in a manner similar to this back as far as  
16 '97. There was a change made in June of 2000 that  
17 altered what really I've laid out in No. 5. Before  
18 we attempted to identify those disconnect reasons  
19 that were classified as competitive loss.

20 Q. So --

21 A. It would send only those to the win back  
22 system. The logic was altered to be the reverse,

1 find the retail scenarios, exclude them, send  
2 everything else.

3 Q. So at the time if -- actually up until June of  
4 2000, if it contained -- the reason for disconnect  
5 contained any one of the fields or categories of No.  
6 5, it was sent to the win back system?

7 A. Yes, except those categories would have been  
8 different.

9 Q. Okay. Because you wouldn't have had CPO, for  
10 example, or WC?

11 A. It really was again operating in the reverse.  
12 No. 5 would have read, rather than exclude it, would  
13 have read include orders from the following.

14 Q. If it included a competitive loss notice or a  
15 notice that this customer was lost to a competitor,  
16 that's what would trigger the line disconnect to the  
17 win back system?

18 A. That's correct. And so the change was made  
19 again to err on the side of caution and say remove  
20 everything we know is retail, ship everything else  
21 and let win back figure out if it's truly a  
22 competitive loss. Now the reality of that is if

1 everything is done correctly, the list would have  
2 been virtually the same.

3 Q. And who was it that decided that you should not  
4 be sending competitive loss information to the win  
5 back system?

6 A. Again, I was told there was a series of  
7 opinions that drove these decisions to try and err  
8 on the side of caution. This process change was put  
9 in place or system change at the same time retail  
10 stopped using the 836 line loss notifier as part of  
11 the process. It's all done at the same time.

12 Q. Do you think it would be proper for Ameritech  
13 to be sending competitive loss information to the  
14 Ameritech win back system as it was done prior to  
15 June of 2000?

16 A. Well, I think win back program has the ability  
17 to exist. I think we do have to be very careful in  
18 the information we transfer. Information should be  
19 equivalent.

20 Q. Now, once the -- what is the win back system?  
21 When you talk about win back system what is that? I  
22 mean, it's not --

1       A.    I'm going to tell you generally what I  
2       understand it does, because that one I have not a  
3       lot of detail on.  But that system actually applies  
4       the marketing type techniques to the data to  
5       determine whether you would want to initiate win  
6       back activity to a particular customer.

7       Q.    And one of the reasons might be that the  
8       customer has a high volume of usage, or a high  
9       telephone bill, would that be one?

10      A.    Just thinking from a business background that's  
11      one thing I would look and find out, any historic  
12      records, yes.

13      Q.    Is any of that -- what other information is  
14      relevant for generating a win back letter to the  
15      customer?

16           MR. BUTTS: I object to that question in that it  
17      goes beyond the scope of this proceeding.  This  
18      proceeding is about whether timely line loss notices  
19      are and accurate are sent to Z-Tel and whether the  
20      line loss notices that are sent and delivered to the  
21      Ameritech retail are better or more accurate or more  
22      timely or discriminatory.

1           The questions that Mr. Kelly is asking relate  
2           to what Ameritech retail does with that information  
3           after it's received, which is beyond the scope of  
4           this proceeding. I object on that basis.

5           MR. KELLY: I asked what information would be  
6           relevant for purposes of generating the line loss --  
7           I'm sorry, win back marketing material so that I  
8           could then ask the witness whether any of that  
9           information was sent to the win back system through  
10          ASON.

11          MR. BUTTS: I have no objection to the second  
12          question as to whether any of that type of  
13          information is sent.

14          MR. KELLY: Well, I have to find out what that  
15          type of information is first before I can ask the  
16          second question.

17          MR. BUTTS: The question is, is there any other  
18          information sent to the win back database other than  
19          what's indicated in our Interrogatory No. 5, which  
20          indicates exactly what information is sent, as shown  
21          on Page 2 of that exhibit. If you want to ask him  
22          is there anything else that gets sent, I have no

1 objection.

2 MR. KELLY: I want to ask that, but I want to  
3 ask the first question first, which is what  
4 information do you use by win back.

5 MR. BUTTS: And I object to -- well, first of  
6 all --

7 JUDGE HAYNES: The exact question was, could I  
8 have the exact question repeated?

9 (Whereupon, the record  
10 was read, as requested.)

11 MR. BUTTS: And my objection to that is that is  
12 a marketing question, it's not a line loss  
13 notification question. He's described the  
14 information that is conveyed to the win back  
15 database through the disconnect report that is shown  
16 on his exhibit.

17 If he wants to ask him if there is any more  
18 information conveyed through that system than what  
19 is shown on the exhibit, certainly he may do that.  
20 But I do not believe he is entitled in this case to  
21 get into the marketing practices of Ameritech.

22 JUDGE HAYNES: And what is the second question



1           that you wanted to ask?

2           MR. KELLY: I wanted to know whether any of  
3           those factors, other information, is delivered to  
4           the win back system through ASON.

5           MR. BUTTS: And I believe he can answer the  
6           second question without answering the first by  
7           simply stating every piece of information that is  
8           conveyed as shown in the existing exhibit and in his  
9           testimony.

10          JUDGE HAYNES: Can you do it without asking the  
11          first question? Let's go off the record.

12                               (Whereupon, there was an  
13                               off-the-record discussion.)

14          MR. KELLY: Can I ask the question?

15          BY MR. KELLY:

16          Q.     What other information is used by the win back  
17          system to generate a win back letter?

18          A.     I truly don't know what all they go through,  
19          and what criteria they use. I know that they have  
20          some criteria that they've applied. Specifically  
21          what it is, I don't have the knowledge.

22          Q.     What of the data that is given to Ameritech's

1 win back system, which of that data -- strike that.

2 Of the data that is given to the win back  
3 system by or through ASON, which of that data is  
4 actually used by the win back system to generate a  
5 win back letter?

6 A. That would be what I've detailed on the second  
7 page of Schedule A Interrogatory 5. What I provided  
8 there was the file makeup. This is extracted from  
9 the ASON service order, so there is other things on  
10 that service order, customer's address, where we  
11 send the bill, for instance, all that stuff is on  
12 there. We strip the following information,  
13 information I've got on that table on the top of the  
14 second page, and that's what's passed.

15 Q. Is the customer address passed through ASON to  
16 -- through the service order interface to the SOR to  
17 the win back system?

18 A. It's passed to the SOR, it doesn't go beyond  
19 that. The SOR creates this file layout, it's in the  
20 matrix and this file layout is transmitted to the  
21 win back system.

22 Q. What does record type mean?

1       A.     Record type in this case simply is system  
2       language.  It's identifying that there is data  
3       content following it.  There isn't a record, a  
4       mechanized record layout, header information, the  
5       data content and the trailer information.  This is  
6       simply saying that by categorizing the data element  
7       as 01, I'm telling the system it's a data element,  
8       it's not a header record, it's not a trailer record.

9       Q.     It's just a record identifier, it's not really  
10      indicative?

11      A.     It's not indicative of anything, other than the  
12      high end data.

13      Q.     Transaction code, what does that indicate?

14      A.     It's always either PD or FD.  PD for change  
15      orders, FD for disconnect orders.  Simply meaning,  
16      did I come off of a change order or did I come off  
17      of a disconnect order.

18      Q.     What would cause a C or PD to be in the field  
19      for the change order?

20      A.     Back up in the ASON process there are certain  
21      scenarios, such as resale to resale that are  
22      processed on the C order.  I don't know that that's

1 all that significant to anything that might happen  
2 in win back, but we do pass that information, we  
3 tell them whether it came from a C or a D.

4 Q. How about the transaction date? That's the due  
5 date?

6 A. In this case, yes, that's the due date.

7 Q. That's the due date of the install of the new  
8 line to Z-Tel?

9 A. No, the disconnect activity.

10 Q. Now, is that date usually passed or is that  
11 date into the future?

12 A. This has to come from a completed order, so it  
13 should be in the past.

14 Q. Is there ever a time when the Ameritech win  
15 back system would get due date information of a  
16 disconnect date into the future?

17 A. No, not the way this process works.

18 Q. Billing telephone number, what is that?

19 A. You get into the account structure, we pass  
20 with the BTN and the ATN information about the  
21 billing account that the line was removed from.

22 Q. Are there times when the -- let's go back to

1       the ATN is the account telephone number. What is  
2       the difference between a BTN and an ATN?

3       A.     See if I can give you an example to describe  
4       that. It would start with a WTN, this might help  
5       because the WTN is a line that was actually lost and  
6       it has a telephone number. If you wanted to pay for  
7       your grandmother's service, and your grandmother was  
8       sophisticated and had two lines, one for a fax  
9       machine and one for home, then she would have two  
10      WTN's.

11            Those WTN's would be aggregated to an ATN, an  
12      account telephone number, that would be Grandma's  
13      account. But if you wanted to be paid for Grandma's  
14      account along with your residence service, then we  
15      would create what is known as a BTN, a billing  
16      telephone number for you. It would include two  
17      ATN's, one for your residence service, one for  
18      Grandma's residence service.

19      Q.     And that information is provided to the -- I'm  
20      sorry, the billing telephone number, which would be  
21      my number in that hypothetical is provided to the  
22      Ameritech win back system?

1       A.     True.  If the WTN was resident on a different  
2       account, the BTN would be provided.

3       Q.     Is that information provided to Z-Tel on an 836  
4       line loss notification?

5       A.     The ATN notification is provided.

6       Q.     I know that.

7       A.     The BTN is not.  And assuming that's all mapped  
8       correctly, what is going is the ATN.

9       Q.     How about -- is the ATN, assuming there is a  
10      different account telephone number, is that  
11      information provided on an 836 line loss  
12      notification to Z-Tel?  Assuming it's different than  
13      the working telephone number?

14      A.     Yes, it is, in Issue 7.  I will tell you that  
15      we're supporting two versions of 836 today, and we  
16      are about to migrate to another one, a third one,  
17      which is the LSOR 5 version which was  
18      collaboratively negotiated, the content was  
19      collaboratively negotiated.  It doesn't contain any  
20      of that information, it contains only the WTN.

21             The rest was really determined to be  
22      information that could be derived from any

1 individual's billing system. The WTN was the key.

2 Q. And for a BTN customer code, is that an  
3 Ameritech -- that is a three or four-digit Ameritech  
4 customer code number?

5 A. It's a three-digit code. Again, our Ameritech  
6 account numbers are built on telephone numbers. And  
7 the way we distinguish accounts once the telephone  
8 number is reused is through an invention known as  
9 the customer code, it's the three-digit code  
10 following the telephone number. It creates the  
11 account number.

12 Q. And what -- when this data is sent from the  
13 SOR, actually it's just retrieved by win back -- the  
14 win back system, it's not -- is it sent by SOR to  
15 win back system or is it repositied and then  
16 retrieved by the win back system?

17 A. The SOR actually creates a file, and it sends  
18 it to the win back system at the end of the  
19 processing day.

20 Q. Mr. Sirles, let me show you what Ameritech  
21 produced this morning to us, or what I would like to  
22 direct your attention to a copy of Ameritech's

1 response to Z-Tel's third set of data requests, Data  
2 Request No. 3. Do you have that in front of you?

3 A. Data Request 3?

4 Q. Data Request 3 of Z-Tel's third set of data  
5 requests.

6 A. Yes. It's a one page, has a narrative  
7 response.

8 Q. From what I understand it's a one-page response  
9 with an attachment that is a page -- two page  
10 attachment, says up at the top it's PKG 8,  
11 proprietary and confidential?

12 A. I have that, I just had it associated with  
13 another one, but that may be my confusion. I had  
14 that associated with Data Request 2.

15 Q. It may very well be.

16 A. But I think we are together on what we are  
17 talking about.

18 MR. KELLY: Just to be clear, let me indicate  
19 for the record that what I would like to do, your  
20 Honor, is itemize what we were talking about before,  
21 which is Ameritech's response to -- supplemental  
22 response to Z-Tel Request No. 1, introduce that as,



1 or we will move for the introduction, and I'll mark  
2 it for identification as Cross Exhibit 3.

3 Z-Tel -- Ameritech's response to third set of  
4 Data Request No. 3, I would like to mark for  
5 identification as Z-Tel Cross Exhibit No. 4. And  
6 then this other document which is entitled up at the  
7 top PKG 8, proprietary and confidential, I will mark  
8 as Z-Tel cross -- for identification purposes as  
9 Z-Tel Cross Exhibit No. 5, and we will provide  
10 copies first thing tomorrow morning.

11 JUDGE HAYNES: Okay.

12 BY MR. KELLY:

13 Q. Let me show you what's been marked as Z-Tel --  
14 what we will mark as Z-Tel Cross Exhibit No. 4,  
15 which is Ameritech's response to the third set of  
16 data requests, Response No. 3.

17 This is -- what we had asked for was a  
18 description of the fields that are available in the  
19 836 line loss notification provided to Z-Tel,  
20 correct?

21 MR. BUTTS: In which part of your request?  
22 No. 3 you are talking about?

1 MR. KELLY: Request No. 3.

2 THE WITNESS: Yes.

3 BY MR. KELLY:

4 Q. And you've identified the different fields or  
5 data fields that are available on the 836 line loss  
6 notification for Version 7, LSOR 4, and the soon to  
7 be released LSOR 5; is that accurate?

8 A. That's accurate.

9 Q. Now, for LSOR 4, you indicate that the fields  
10 provided to Z-Tel on an 836 line loss notice are  
11 contract status. What does that refer to?

12 A. It's a status of whether or not there is a  
13 contract on an account and whether it's  
14 transferable.

15 Q. What does that mean, whether there is a  
16 contract on an account?

17 A. You are getting me a little out of my area, but  
18 where we have services in retail that are contract  
19 rates or contract periods of time. Maybe I better  
20 stop, I'm not even sure I can explain the contract.

21 Q. Is there anybody here that, Mr. Doyle or Mr.  
22 Caton or Mr. Truxel, that would know that?

1       A.    I think I can tell you what it's supposed to be  
2       populated with.  I don't know if I can give you the  
3       exact purpose.  It's two alpha characters.  Issue 7  
4       is populated with two values, TR.  The definition of  
5       that is contract transfer, but I can't really tell  
6       you the application of that.

7       Q.    So Z-Tel is given some sort of notification of  
8       contract status of something with a data field  
9       populated as TR?

10      A.    Yes.

11      Q.    In all situations it's always TR?

12      A.    In Issue 7, yes.  In LSOR 4, I'm not certain  
13      that it's got a fixed value.  The value is always  
14      two alpha characters.  The field is eliminated when  
15      you get to LSOR 5.

16      Q.    And what about conversion date, what is the  
17      date represented by that field?

18      A.    Again, you are in LSOR 4?

19      Q.    Yes.

20      A.    A conversion date should be the completion date  
21      of the outward activity, the completion date of the  
22      loss.

1 Q. And that's the date that the line was actually  
2 disconnected?

3 A. Yes, should be, should correlate to the same.

4 Q. Well, when would it not. You said it should  
5 be, so when -- that sort of begs the question, when  
6 might it not?

7 A. On a service order you have a due date and you  
8 have a completion date. It's possible that those  
9 dates are different if we didn't do it on the due  
10 date. What we are reporting is the completion date,  
11 because that should always be the date the work was  
12 done. So maybe I confused things a little there.

13 Q. Going back to Schedule A which is the  
14 information provided to Ameritech for the win back  
15 systems there is a due date information in that?

16 A. Right.

17 Q. But there is no conversion date. Are -- when  
18 Ameritech is the losing carrier, is it always the  
19 same? Is the due date always the same as the  
20 conversion date when Ameritech is the losing  
21 carrier?

22 A. Not to my knowledge, no. And when -- you know,

1       when I looked at that if I was building that file I  
2       probably would have used a different data element.

3       Q.     And in LSOR 4 you indicate there is also a  
4       field for transaction date sent?

5       A.     Right.

6       Q.     What is that?

7       A.     That's the date I send you a loss notification,  
8       I send you the 836.

9       Q.     Now, when you say the date you sent the 836?

10      A.     I being Ameritech.

11      Q.     Okay. Is that the date that it's sent to GEIS?

12      A.     Yes.

13      Q.     Now, I think just to clarify you indicated  
14      before that there might be an additional day where  
15      the information is held at GEIS before it's  
16      delivered to AT&T Advantas?

17      A.     It should not be a day if the processes are  
18      working as designed. Obviously we've uncovered I  
19      think a few where maybe they are not, but these  
20      processes should work in seconds.

21      Q.     Circuit number loss, what does that field  
22      represent?

1       A.     Where the loss is circuit based.

2       Q.     Not a telephone line, it might be a T1 or  
3       something?

4       A.     Right.  Then I'm going to give you a circuit  
5       ID.  If I give you that then I don't give you a WTN.  
6       It's one or the other.

7       Q.     Transaction set purpose, what does that mean?

8       A.     It is simply identifying this as a loss.  It's  
9       in the header record.  That's still there in LSOR 5,  
10      although we don't display the field.  We simply  
11      cleaned up the way we document things and we didn't  
12      include header records in the detail of the  
13      explanation.  So that's simply telling you that this  
14      is a loss notification.

15      Q.     The transaction set purpose?

16      A.     Right.

17      Q.     So that data field would be fielded with a D in  
18      the case of a disconnect?

19      A.     No.  It's telling you it's a loss notifier.

20      Q.     So it's just a field for identifying what the  
21      data is that's in the record?

22      A.     That's correct.

1 Q. Now, in the Version 7 you indicate that -- I'm  
2 sorry, in the same data response, going up in your  
3 answer for Version 7 you say the fields are  
4 transaction set purpose, service order number, what  
5 is service order number?

6 A. Service order number is Ameritech's internal  
7 service order number. That's the numbers that we  
8 discussed earlier that sometimes were not correct.

9 Q. Date sent and due date, are those the same  
10 dates that we refer to, or that you discussed in  
11 LSOR 4?

12 A. Yes, they are.

13 Q. No change in the meaning of those fields?

14 A. Should be no difference.

15 Q. Account number, what is the account number?

16 A. Account number is that ATN that we discussed,  
17 account telephone number identifying the billing  
18 account associated with the loss.

19 Q. And gaining TC?

20 A. That actually was intended to be the acquiring  
21 carrier. And that's the field that's populated with  
22 a fixed value of ZXX.

1 Q. Working telephone number?

2 A. That's the actual line that's lost.

3 Q. Now, in LSOR 5 you've reduced the number of  
4 fields that are going to be sent to the carrier?

5 A. That's correct. And again, there is still that  
6 header information that tells you that this is a  
7 loss.

8 Q. The transaction date set?

9 A. Right. But the data content itself is reduced  
10 down to just the conversion date, and either the ID,  
11 circuit ID, or the WTN that's lost.

12 JUDGE HAYNES: Is this a good place to stop?

13 MR. KELLY: Sure.

14 JUDGE HAYNES: This is continued until tomorrow  
15 at 10:00 a.m.

16 (Whereupon Z-Tel Cross  
17 Exhibits Nos. 1, 2 and 3 were  
18 marked for identification  
19 as of this date.)

20 (Whereupon the above-entitled  
21 matter was continued to March 26th,  
22 2002 at 10:00 o'clock a.m.)